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ABSTRACT

As part of a larger study, volume I of this report describes the results of analyses of the extent to which Emergency School Aid Act (ESAA) program grants and grant funds have been focused on school districts with desegregation-related needs. Also described is the extent to which the Act, regulations, and program processes influence the focusing of grants and funds. Volume II of this report presents findings concerning the influence of program operations on the focus of ESAA projects and activities, and findings concerning the relationship of projects to the desegregation-related needs of grant recipients. Data provided in this volume were derived from case studies in 22 school districts across the nation. Summaries of this data rea presented in a separate appendix. (Author/EB)

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ED170405

An Assessment of Emergency School Aid Act (ESAA) Program Operations

Volume I: The Targeting of ESAA Grants and Grant Funds

and

Volume II: The Focus of ESAA Projects

U.S. DEPARTMENT OF HEALTH,
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Stephen M. Smith
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While many people have contributed to this study, responsibility for any errors rests with the author. The views reflected in this document are not necessarily the views of the U.S. Office of Education.

ASSESSMENT OF ESAA PROGRAM OPERATIONS

FOREWORD

The Emergency School Aid Act (ESAA)* was intended to aid school districts in the process of desegregating by providing financial assistance in the form of 1 year grants for local projects that would: meet "special needs incident to" desegregation; encourage the voluntary reduction of minority group isolation in schools with substantial proportions of minority pupils; and aid school children in overcoming the educational disadvantages of minority group isolation.

As the ESAA program entered its fifth year of operation in the fall, 1977, concern had been expressed that the ESAA program structure, activities and operations as established by the Act, Regulations and guidelines may not have been effectively delivering desegregation-related services to those school districts with the most current needs. DHEW was seeking changes in the Act as part of the Education Amendments of 1978.

The U.S. Office of Education contracted with Applied Urbanetics, Inc., of Washington, D.C., to conduct a study to assess whether the ESAA program had been meeting the desegregation-related needs of school districts. The intended audiences for the study were DHEW personnel responsible for recommending changes in the Act and Regulations, establishing program guidelines, and implementing and managing the program.

The findings and recommendations of this study are presented in this report and companion volumes. The study differed from previously funded evaluations which focused on the effectiveness of program activities and management at the school district level. The focus of this study was on the effectiveness of ESAA program operations at the Federal level in achieving two major outcomes:

- targeting, or focusing, of ESAA grants and grant funds on school districts currently having the greatest desegregation-related needs; and

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* P.L. 92-318, Title VII.

- funding activities that effectively fulfill the greatest desegregation-related needs of school districts.

A major objective was to propose and analyze the impact of changes in the Act, Regulations and operations that might enhance the effectiveness of the program.

The presentation is in three volumes:

Volume I:	The Targeting of ESAA Grants and Grant Funds - describes the results of analyses of the extent to which ESAA grants and grant funds have been focused on school districts with desegregation-related needs, and the extent to which the Act, Regulations and program processes influence the focusing of grants and funds.
Volume II:	The Focus of ESAA Projects - presents findings concerning the influence of program operations on the focus of ESAA projects and activities, and findings concerning the relationship of projects to the desegregation-related needs of the grant recipients. Data were derived from case studies in 22 school districts across the nation. Summaries are presented in a separate appendix.
Volume III:	Policy Recommendations - presents a synthesis of the findings in Volumes I and II, and examines changes in the Act, Regulations and program guidelines that might increase the effectiveness of the program in achieving the purposes of the Act.

VOLUME I

CONTENTS

Page

SUMMARY OF FINDINGS.................................. 1

I. INTRODUCTION.................................. 7

I.A. General Overview of Study.............. 7

I.B. The Targeting of Grants and Grant Funds.................................. 24

II. TARGETING OF ESAA GRANTS.................... 27

Introduction.................................. 27

II.A. Who are the Intended Grant Recipients? A Review of the Act and Regulations.................. 28

II.B. Are ESAA Grants Focused to the Intended Targets?.................... 33

II.B.1. Target: LEAs with High Impact Plans.................................. 35

II.B.2. Target: LEAs with High Relative Need for Assistance.................. 52

II.C. Summary and Conclusions.............. 77

III. THE INFLUENCE OF ESAA PROGRAM OPERATIONS ON THE TARGETING OF ESAA GRANTS................ 83

Introduction.................................. 83

III.A. Pre-Application Information Dissemination and Technical Assistance.... 85

III.B. Application Review and Fund Allocation. 88

III.B.1. Determination of Applicant Eligibility. 89

Contents (continued)

Page

III.B.2. Application Review 93

III.B.3. Selection for Funding 122

III.C. Summary and Conclusions 130

IV. ESAA PROGRAM OPERATIONS AND THE TARGETING OF GRANT FUNDS 139

Introduction 139

IV.A. Targeting of ESAA Grant Funds 143

IV.B. The Influence of Program Operations on the Targeting of Grant Funds 159

IV.C. Summary and Conclusions 170

APPENDIX 173

LIST OF TABLES

Page

TABLE 1.1. Brief Descriptions of ESAA Grant Program Categories.................................. 12

TABLE 1.2. The ESAA Application Review and Fund Allocation Process.......................... 16

TABLE 2.1. School Districts That Have Not Received An ESAA Grant But Have High Relative Need for Assistance According to Minority Enrollment Measures............... 65

TABLE 3.1. The Six Areas of the Quality Score......... 96

TABLE 3.2. Rescaled Quality Scores for ESAA Applicants by Grant Type.................. 97

TABLE 3.3. Application Quality Scores by DHEW Region FY 77 Basic - First Cycle........... 104

TABLE 3.4. Excerpts from Basic Application Quality Rating Form....................... 107

TABLE 3.5. Rescaled Stat Scores for ESAA Applicants by Grant Type............................ 110

TABLE 3.6. Minority Pupil Enrollment Data for Cottonwood............................ 116

TABLE 3.7. Rescaled Quality and Stat Scores for ESAA Applicants by Grant Type.................. 120

TABLE 3.8. Comparison of Minimum Score Criteria for ESAA Applications..................... 126

TABLE 4.1. Percent of ESAA Basic Grant Recipients Awarded Grants of Different Dollar Amounts by Fiscal Year..................... 141

TABLE 4.2. Percent of FY 77 ESAA Grant Recipients Awarded Grants of Different Dollar Amounts by Grant Category................. 142

TABLE 4.3. Comparison of FY 77 Basic Grants and Grant Funds by Application Quality Score.. 151

List of Tables (continued)

Page

TABLE 4.4. Correlation of Grant Funds With Characteristics for FY 77 Basic Grant Recipients.................................. 152

TABLE 4.5. Correlation of FY 77 Basic Grant Funds With Grant Recipient Characteristics Corrected for Minority Enrollment.......... 156

TABLE 4.6. Distribution of FY 77 ESAA Basic Grants and Grant Funds by State and Comparison With State Appropriations.................. 160

TABLE 4.7. Reapportionment of FY 77 ESAA Basic Funds to States by DHEW Region.................. 161

TABLE 4.8. Comparison of State Apportionment for Basic Grants to FY 77 ESAA Basic and Special Grants for Several Central City School Districts...................... 163

TABLE 4.9. Percent of Grant Recipients Whose Grant Funds Were Less Than Their Grant Requests by Percent of Reduction for FY 77 Basic Grants..................... 167

TABLE 4.10. Percent of Grant Recipients Whose Grant Funds Were Less Than Their Grant Requests by Quality Score for FY 77 Basic Grants......................... 169

APPENDIX
TABLE A-1. Number of Districts for Which OCR Survey Data Were Available....................... 176

LIST OF FIGURES

Page

FIGURE 1.1a. Analytical Model

1.1b. Analytical Model Applied to Classroom Instruction.... 20

FIGURE 1.2. Analytical Model of ESAA Program.... 21

FIGURE 2.1. Total and Minority Enrollment 1968-74 - Butternut

Racial Imbalance and Minority Isolation Indexes 1968-74 - Butternut.... 39

FIGURE 2.2. Total and Minority Enrollment 1968-74 - Redwood

Racial Imbalance and Minority Isolation Indexes 1968-74 - Redwood.... 40

FIGURE 2.3. Total and Minority Enrollment 1968-74 - Beech

Racial Imbalance and Minority Isolation Indexes 1968-74 - Beech.... 41

FIGURE 2.4. Total and Minority Enrollment 1968-74 - Evergreen

Racial Imbalance and Minority Isolation Indexes 1968-74 - Evergreen.... 42

FIGURE 2.5. Percent of Districts by Change in Racial Imbalance 1968-72

ESAA Award Rate by Change in Racial Imbalance 1968-1972.... 44

FIGURE 2.6. Percent of All Districts by Change in Minority Isolation 1968-72

ESAA Award Rate by Change in Minority Isolation 1968-1972.... 47

List of Figures (continued)

Page

FIGURE 2.7. Total Score for Net Reduction in Minority Isolation for FY 77 Basic Grantees........ 49

FIGURE 2.8. Total Score for Net Reduction in Minority Isolation for FY 77 Basic Grantees by Plan Type.................................. 50

FIGURE 2.9. Total Score for Net Reduction in Minority Isolation for FY 77 Basic Grantees by Region..................................... 51

FIGURE 2.10. Percent of Districts by Minority Isolation 1972

ESAA Award Rate by Minority Isolation 1972............................ 54

FIGURE 2.11. Percent of Districts by Racial Imbalance 1972

ESAA Award Rate by Racial Imbalance 1972............................ 55

FIGURE 2.12. Percent of Districts by Percent Minority Enrollment

ESAA Award Rate by Percent Minority Enrollment....................... 58

FIGURE 2.13. Comparison of FY 77 Basic Grants by Percent Minority Enrollment............... 59

FIGURE 2.14. Percent of Districts by Minority Enrollment

ESAA Award Rate by Minority Enrollment.... 60

FIGURE 2.15. Percent of Districts by Total Score for Number and Percent Minority Students

ESAA Award Rate by Total Score for Number and Percent Minority Students...... 63

List of Figures (continued)

Page

FIGURE 2.16. Percent of Districts With Required Plans by Total Score for Number and Percent Minority Students

Award Rate for Districts With Required Plans by Total Score for Number and Percent Minority Students............. 64

FIGURE 2.17. Percent of Districts With Required Plans by Plan Year

Award Rate for Districts With Required Plans by Plan Year......................... 67

FIGURE 2.18. Percent of Districts by Percent Poverty

ESAA Award Rate by Percent Poverty........ 69

FIGURE 2.19. Comparison of FY 77 Basic Grants by Percent Poverty......................... 70

FIGURE 2.20. Percent of Districts by Enrollment

ESAA Award Rate by Enrollment............. 72

FIGURE 2.21. Percent of Districts by Urban Status

ESAA Award Rate by Urban Status........... 73

FIGURE 2.22. Year First ESAA Grant Was Received by FY 77 ESAA Districts.................. 74

FIGURE 2.23. Regional Variation in the Year FY 77 ESAA Districts Received Their First ESAA Grant.................... 75

FIGURE 2.24. Number of Previous Years FY 77 ESAA Districts Have Received a Grant........... 76

FIGURE 3.1. Distribution of Quality Scores by Funding Cycle FY 77 Basic Applicants...... 101

List of Figures (continued)

Page

FIGURE 3.2. Average FY 77 Basic Application Quality Scores by DHEW Region by Funding Cycle.............................. 105

FIGURE 3.3. Comparison of Statistical Scores by Region FY 77 Basic Applicants............. 112

FIGURE 3.4. Proportion of FY 77 Applicants Selected for Funding by Cycle and Grant Type................................. 124

FIGURE 3.5. Range of Application Scores for Funded and Unfunded FY 77 Basic Grants Within Each State.......................... 128

FIGURE 4.1. Comparison of FY 77 Basic Grants and Grant Funds by Total Statistical Score.... 145

FIGURE 4.2. Comparison of FY 77 Basic Grants and Grant Funds by Combined Number and Percent Minority Students................. 146

FIGURE 4.3. Comparison of FY 77 Basic Grants and Grant Funds by Minority Enrollment........ 147

FIGURE 4.4. Comparison of FY 77 Basic Grants and Grant Funds by Percent Minority Enrollment.................................. 148

FIGURE 4.5. Comparison of FY 77 Basic Grants and Grant Funds by Enrollment................. 149

FIGURE 4.6. Comparison of FY 77 Basic Grants and Grant Funds by Level of Racial Imbalance 1974............................ 154

FIGURE 4.7. Comparison of FY 77 ESAA Basic Grants and Grant Funds by Year of Plan Implementation............................ 155

FIGURE 4.8. Distribution of FY 77 Grant Funds by Urban Status for Each Grant Category...... 164

List of Figures (continued)

Page

FIGURE 4.9. Comparison of FY 77 Basic and Special Grants by Year of Plan Implementation..... 165

ASSESSMENT OF ESAA PROGRAM OPERATIONS

The Targeting of ESAA Grants and Grant Funds

SUMMARY OF FINDINGS

The objectives of this part of the study, Assessment of ESAA Program Operations, were:

- to determine the extent to which ESAA grants and grant funds have been targeted, or focused, on school districts with the greatest desegregation-related needs that propose projects with the highest educational and programmatic merit; and
- to determine the influence of ESAA program operations on the targeting of grants and grant funds.

The Act and Regulations specify criteria that in effect identify the desegregation-related characteristics of intended ESAA grant recipients. These criteria are of two types: minimum eligibility criteria and selection criteria. According to these criteria, the intended grant recipients for Basic, Pilot, Bilingual and most Special grants are:

- only those school districts implementing a required or non-required plan to desegregate, or reduce or eliminate minority isolation;
- only those school districts not engaging in discriminatory practices or policies with respect to race, color, or national origin;
- those school districts with high impact plans; i.e., plans that have reduced, or are likely to reduce or prevent, minority isolation to a high degree, that are comprehensive and district-wide, and that fully involve community resources;
- those LEAs with high relative need for assistance as demonstrated primarily by high number and percent minority pupils; and

- those eligible applicants with high quality projects, that is, proposed projects that have a high likelihood of achieving the purposes of the Act as measured by the quality score rating of the proposed project.

We found that ESAA program operations have effectively focused grants to applicants that fulfill civil rights compliance criteria and to districts that have had a high relative need for assistance as measured by the number and percent minority students. Grant funds in FY 77 were primarily focused to recipients with high minority enrollment and high number of minority students whose isolation had been reduced.

However, we also found that ESAA grants and grant funds have not been effectively focused to districts with applications of high educational and programmatic merit, with comprehensive plans, or with a high relative need because of the recency of plan implementation.

The ESAA Special grant program has been used to alleviate some of the consequences of the inadequacies in the targeting of Basic grant funds. Special grants have been used to focus ESAA funds to recently desegregating districts and to urban districts whose grant fund requests would exceed the available state apportionments. However, Special grants to unfunded FY 77 Basic grant applicants implementing non-required plans have decreased the selectivity of the Basic grant competitive process.

Target: LEAs with Eligible Required or Non-Required Plans

ESAA grants have been received by less than one-half of the districts known to have had high reductions in minority isolation and to have been subject to a court or agency order. A large number of these potentially eligible districts have not applied for ESAA grants. Their decisions not to apply have been attributed to dislike for OCR compliance eligibility reviews. The ESAA program has also been perceived to be geared to districts with high numbers of minority pupils.

Target: LEAs Without Discriminatory Practices With Respect to Students or Staff

Most applicants initially found to be in non-compliance with civil rights eligibility criteria have taken the necessary steps to comply and achieve ESAA eligibility. The review of compliance eligibility after application submittal has encouraged applicants selected for funding to correct compliance problems.

Target: LEAs Implementing a Plan With High Impact

ESAA grants have not been effectively focused to districts with high plan impact as measured by reduction in minority isolation. Sixty percent of the districts which had a relatively high reduction in minority isolation prior to 1974 never received an ESAA grant. Many of these districts have not applied for ESAA grants. However, 40 percent of the districts in the north and west (14 percent nation-wide) that received a Basic grant in FY 77 did not reduce the number or percent of minority pupils in minority isolation to any degree. Contributing program factors have been:

- The state apportionment formula as specified by the Act is unrelated to the number of districts in the state that are implementing eligible plans and unrelated to the impact of the plans.
- The within-state competition specified by the Act and Regulations for the state funds has hindered the nation-wide selection of districts with high impact plans.
- The minimum score criterion for total application scores has not effectively eliminated applications with minimal plan impact or need.
- Although the selection process has been competitive, almost all Basic and Pilot applications above the minimum score criteria have received grants.
- Threshold eligibility criteria do not fulfill any role in restricting applicants on the basis of plan impact.

ESAA grants may not have been focused to districts with high plan impact as measured by the extent of student reassignment. The Act and Regulations recognize as an eligible plan, any plan implemented pursuant to a court or agency order, but do not recognize such a plan as having any impact if it requires student reassignment among schools in which (1) there was no minority isolation or (2) the reassignment only involves two or more minority groups, rather than minority and white groups.

Independent of enrollment size, more FY 77 Basic grant funds were awarded, on the average, to recipients with high effective reduction in the number of minority children who are isolated. Like grants, however, 40 percent of the funds in the north and west were awarded to grant recipients with no net reduction in minority isolation. Major factors are the state apportionment formula and the within-state competition as described above.

Target: LEAs with High Relative Need

ESAA grants have been highly focused to districts with high relative need as measured by the combined stat score for the number and percent minority students in the districts. The most distinguishing characteristic of grant recipients and non-recipients was the combined score for number and percent minority pupils. Contributing program factors have been:

- The stat score as specified by the Regulations includes as the only measure of relative need the combined score for number and percent minority pupils.
- The stat score has been the primary determinant of ranking applications for funding since the quality scores have been narrowly distributed in most states.
- The within-state competition has de-emphasized the influence of the measures of plan impact. Most applicants in the north and west have received few points for plan impact and therefore the measures of number and percent minority dominate.
- The minimum score criterion for total application scores has eliminated few applicants from the selection process.

- The state appropriation formula specified by the Act favors states with a high number of minority children.

- Pilot grant eligibility is specifically based on high number and percent of minority pupils.

Similarly, ESAA grant funds have been more highly focused to recipients with high minority (or equivalently, total) enrollment than to any other districts.

ESAA grants and grant funds, however, have not been focused to districts with high relative needs as measured by other criteria, such as recency. Two-thirds of the FY 77 Basic grants were awarded to LEAs that implemented an eligible plan prior to 1973. Contributing program factors have been:

- The validity of the stat score has been hindered as a measure of the relative need that arises from the implementation of a plan since recently desegregating applicants have competed on an equal basis with applicants who implemented a plan over 5 years ago.

- The relatively few points allowed the Needs Assessment section in the quality score has hindered the importance of measures of need that cannot be incorporated into the stat score because the data are less uniformly available or the criteria are less objective. Among these criteria might be the continued need for assistance and the measures suggested in the Act: general financial need; deficiencies in the quality of public education; and the expense and difficulty of implementing the district's plan.

- The influence of the Needs Assessment section on the total score has been hindered further by all the program factors affecting the validity of the total quality score: narrow distribution and susceptibility to systematic bias, as described further below.

Target: LEAs With Applications of High Educational and Programmatic Merit

ESAA grants and grant funds have not been explicitly focused to LEAs with applications with high educational and programmatic merit. Contributing program factors have been:

- The quality score as a valid measure of programmatic merit has been hindered by the relatively low maximum point score allowed the Needs Assessment section of the application by the Regulations.

- The quality score as a valid measure of merit has been hindered by its susceptibility to systematic biases as a result of an inadequate rating form and differences in panel selection and training. These areas are governed by program administration guidelines.

- The narrow distribution of quality scores has not allowed the identification of applications with above average merit as measured by the quality scores. As a result, the quality score has not contributed to the selection of grants in many states; a competition based on stat score alone would have produced nearly the same results. This result is consistent with the view of the role of the quality score by EEOP officers. However, it is inconsistent with the administrative cost and time devoted to rating applications.

- The minimum quality score criterion has eliminated few applications (5 percent) from the grant competition since the quality scores have been narrowly distributed around the maximum point score.

While ESAA grant funds were negatively correlated with application quality scores, the reductions in proposed project budgets were positively related to application quality scores: recipients with lower quality scores had greater percentage reductions in their proposed project budget. ESAA grant funds have been substantially affected by the administrative review of project budgets. This process follows the quality score review.

ASSESSMENT OF ESAA PROGRAM OPERATIONS

I. INTRODUCTION

This study has three explicit objectives:

- to assess the effectiveness of ESAA program operations in targeting, or focusing, ESAA grants and grant funds to school districts having the greatest desegregation-related needs;
- to assess the effectiveness of ESAA program operations in funding activities that focus on the desegregation-related needs of school districts; and
- to propose and analyze the impact of changes in the Act, Regulations and operations that would enhance the effectiveness of the program in achieving the purposes of the Act.

This volume is one of three which present the findings with respect to each of the objectives. To provide the reader with an overview before proceeding to the findings, this chapter provides an introduction to the overall study in Section A, and to the subject of this volume, the targeting of grants and funds, in Section B.

I.A. General Overview of Study

Background

The Emergency School Aid Act (ESAA) is one of the products of the short history of Federal desegregation assistance efforts. It was not until the Civil Rights Act (CRA)[1] of 1964 that Congress authorized active participation by the Executive Branch in school desegregation. The Department of Health, Education and Welfare (DHEW) and the Deparment of Justice were authorized to initiate judicial and administrative compliance proceedings against segregated school systems and DHEW was authorized to initiate a small Federal technical assistance program (Title IV, CRA). Technical assistance activities were limited to inservice training and employment of specialists in desegregation planning and implementation.

The ESAA program was enacted at a time (1972) of rapid and continuing changes in private and governmental desegregation activities. As a result of Federal compliance initiatives and private litigation, a rapid expansion of desegregation took place in the years 1968-1971, particularly in the south. The Fifth Circuit Court, impatient with token desegregation plans presented by southern school systems, mandated desegregation plans requiring cross-district busing. By 1972, nearly 2,000 southern school districts were going through the first phases of desegregation. In that same period, Federal desegregation compliance initiatives were expanded to include districts in the north and west. Encouraged by the Keyes decision,[2] private litigants were also beginning to focus their efforts on the urban districts of the north and west with large concentrations of minority pupils.

At the same time, widespread opposition was building to "court ordered busing." Congress enacted legislation limiting the authority of DHEW to order busing as a means of desegregation, and specifying a preferred order of consideration for other remedies.[3] In an almost contradictory fashion, however, Congress also expanded Federal authority to aid desegregating districts, first with the Emergency School Assistance Program (ESAP) and then with the adoption of the Emergency School Aid Act.

The ESAA program, in all its complexity, was thus the result of the attempt to develop a single program to meet the conflicting perceptions of the desegregation-related needs of districts in all parts of the country. Congress sought to provide financial assistance to school districts in order to:[4]

- meet the special needs incident to the elimination of minority group segregation and discrimination among students and faculty in elementary and secondary schools;
- encourage the voluntary elimination, reduction or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority group students; and

- aid school children in overcoming the educational disadvantages of minority group isolation.

By the end of FY 77, the fifth year of program operation, 872 school districts which were either subject to a court or DHEW order to desegregate, or had adopted a voluntary plan to reduce or prevent minority isolation, had received ESAA grants totaling $956 million. An additional $255 million in grants and contracts had been awarded to states and private organizations to support school district desegregation efforts and services related to the third purpose above.

A major finding of the recently completed three-year national evaluation[5] of the ESAA program at the school district level was a lack of clear-cut differences between ESAA-participating and non-participating schools in the services offered to their students. This finding plus other factors, such as the program's inability to adequately fund the requests of newly desegregating urban areas of the north and west at the same time as the number of newly desegregating school districts had decreased substantially, raised questions as to whether the ESAA program was effectively delivering services that were unique and desegregation-related to those school districts most in need. A report of the General Accounting Office[6] published at midpoint in this study specifically found that better criteria were needed for awarding grants.

This study was conducted to answer some of these questions and to examine alternative recommendations for changes in the Act, Regulations and guidelines that enhance the ability of the program to achieve the purposes of the Act. It was performed concurrently with the reconsideration of the Act as part of the Elementary and Secondary Education Amendments of 1978.

Overview of ESAA Program

The ESAA program provides one year grants to school districts and other eligible organizations to support local projects to achieve the three objectives mentioned earlier. The ESAA program is organized into seven subprograms which differ somewhat in their major emphases, eligibility and application criteria, and in the percentage of the total ESAA appropriation reserved for the subprogram grants. Table 1.1 presents synopses of these grant categories. More detailed descriptions are presented in the context of the remaining chapters in this volume and the other volumes.

The emphasis of the first part of the study on the targeting of grants and funds is on the four categories (Basic, Pilot, Bilingual and Special) that are available to local educational agencies (LEAs). Non-Profit Organization (NPO) grants were also examined in connection with the analyses of the focus of ESAA activities that are presented in Volume II.

The Basic and Pilot grant categories are the largest categories in terms of both appropriated dollars and the number of grant awards. These two grant categories plus the NPO grants form the three categories whose funds are appropriated to states on the basis of a formula specified by the Act, and then to LEAs through within-state grant competitions. Funds for the other subprograms are distributed through nation-wide competitions.

In FY 77, $217.5 million out of the national appropriation of $282.5 was awarded to 566 LEA grant recipients in the Basic, Pilot, Bilingual and Special grant categories. An additional $17.2 million was to Non-Profit Organizations for 205 grants.

ESAA program activities at the Federal level, like the activities of most Federal grant programs, consist of four types:

1. pre-application information dissemination and technical assistance;
2. application review and fund allocation;
3. post-award project monitoring of funded projects; and
4. post-award technical assistance to funded projects.

The first two processes exert the most influence on which LEAs or organizations receive a grant, the dollar amount of the grant, and the type, quality and extent of the activities funded. These two processes are the major interests of the present study. The latter two processes can potentially influence the effectiveness of each funded project in accomplishing its individual, local goals; these processes have lesser relevance to the policy issues addressed here.

The ESAA application review and fund allocation process is the most complex of the four processed at the Federal level. It consists of three major components:

- determination of applicant eligibility;
- application review and selection for funding; and
- grant fund determination.

Table 1.2 is presented to provide a brief overview of this process that determines which applicants will receive a grant and which recipients will receive more funds than others. Further details are contained in the remainder of the two volumes.

TABLE 1.1. BRIEF DESCRIPTIONS OF ESAA GRANT PROGRAM CATEGORIES

Category	Description
1. BASIC GRANTS	
Reserved appropriation:	79 percent less amount applied to Pilot grants. Minimum of 64 percent of national total.
Allocation process:	Within state competition for state apportionment.
Major focus:	To meet needs arising from implementation of required or nonrequired plans.
Eligible applicants:	LEAs implementing a required desegregation plan or a nonrequired plan to reduce or prevent minority isolation.
Major authorized activities:	Remedial services, inservice training, guidance and counseling, curriculum development, innovative interracial programs, career education, community activities -- all in schools affected by the LEA's plan.
2. PILOT GRANTS	
Reserved appropriation:	Not more than 15 percent of national total.
Allocation process:	Within state competition for state apportionment.
Major focus:	Innovative projects to overcome the disadvantages of minority isolation.
Eligible applicants:	Eligible Basic applicants with over 15,000 minority pupils or over 50 percent minority enrollment.
Major authorized activities:	Same as Basic grants with particular focus on academic achievement in areas of reading and mathematics.

Continued--

Table 1.1 (continued)

Category	Description
3. **NONPROFIT ORGANIZATION (NPO) GRANTS**	
Reserved appropriation:	8 percent of national total.
Allocation process:	Within state competition for state apportionment.
Major focus:	To support LEA implementation of eligible required or nonrequired plan.
Eligible applicants:	Public or private nonprofit organizations other than LEAs.
Major authorized activities:	Supplemental remedial services, community activities, cultural enrichment, home-focused enrichment, innovative interracial programs, and further development of eligible plan at the request of the school district.
4. **BILINGUAL GRANTS**	
Reserved appropriation:	Not less than 4 nor more than 10 percent of national total.[a]
Allocation process:	National competition.
Major focus:	Meet equal educational opportunity needs of children from environments in which language is other than English.
Eligible applicants:	LEAs eligible for Basic projects plus public or private nonprofit organizations.

Continued--

Table 1.1 (continued)

Category	Description
Major authorized activities:	Same as Basic grants with focus on development of reading, writing and speaking skills in English and the other language, and on the understanding of cultural history.
5. **EDUCATIONAL TELEVISION GRANTS AND CONTRACTS**	
Reserved appropriation:	Not less than 3 nor more than 9 percent of national total.[a]
Allocation process:	National competition.
Major focus:	Development and production of integrated children's television programs of cognitive and affective value.
Eligible applicants:	Any public or private nonprofit organization.
Major authorized activities:	Normal and necessary activities in creating, producing and distributing integrated children's television programs.
6. **SPECIAL GRANTS**	
Reserved appropriation:	Specific supplemental appropriations plus not more than 6 percent of national total.
Allocation process:	Nationwide competition.

Continued--

Table 1.1 (continued)

Category	Description
Major focus:	Varies depending on type of Special grant: Interdistrict Transfer; Follow the Child; Magnet Schools; University/Business Cooperation; Neutral Site; Emergency Special; Special Arts; Special Mathematics; Special Student Concerns.
Eligible applicants:	For Interdistrict Transfer and Emergency Special, only LEAs eligible for Basic grants; for Magnet Schools, University/Business Cooperation, Neutral Site -- any LEAs. For others, public and private organizations.
Major authorized activities:	Varies with type of Special grant.
7. EVALUATION GRANTS AND CONTRACTS	
Reserved appropriation:	Not more than 1 percent of national total.
Allocation process:	National competition.
Major focus:	To evaluate specific projects and programs authorized under ESAA.
Eligible applicants:	Any public or private organization.

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a/ Thirteen percent of the national total is reserved for Bilingual, Special, Educational Television and Evaluation grants. Only Bilingual (at 4 percent) and Educational Television (at 3 percent) have reserved minimum appropriations. Thus, according to the Act, Bilingual grants could total 10 percent.

TABLE 1.2

The ESAA Application Review and Fund Allocation Process

In the ESAA application review and fund allocation process, there are three components which take the following form:

1. Determination of Applicant Eligibility

   a. Threshold eligibility - The DHEW Office for Civil Rights is responsible for making an initial determination of whether each applicant is eligible to apply for a grant according to threshold (or plan) eligibility requirements specified in the Act and Regulations.

   b. Compliance eligibility - Concurrently with the application review, the DHEW Office for Civil Rights determines whether each applicant has complied with civil rights provisions specified in the Act and Regulations and is therefore further eligible for receiving grant funds. If found ineligible, an application is placed in "legal hold". An applicant must correct the problem and request either a waiver of ineligibility in order to receive grant funds or a show cause hearing.

2. Application Review and Selection for Funding

   a. Application review - After initial checks of application completeness by ESAA staff, panels of non-Federal personnel review the proposed project of each applicant for quality based on criteria and a scoring scheme specified in the Regulations. Applications also receive a statistical or 'stat' score relating to the enrollment and desegregation plan characteristics of the applicant as computed by ESAA program staff according to criteria specified in the Regulations. The quality and stat scores are combined to form a total composite application score which is used for ranking applicants for funding.

Continued--

Table 1.2 (continued)

b. Competitive selection - To be ranked for funding, applicants must achieve minimum quality and total scores specified by the Regulations. For three categories of ESAA grants (Basic, Pilot and grants to non-profit organizations or NPOs), applicants are competitively ranked within each state. For other categories (Bilingual, Special, Educational Television), competitive ranking is on a national scale.

3. Grant Fund Determination

a. Administrative review of proposed project budgets - The funds and budget requested by each qualifying applicant for their proposed projects are reviewed by OE program and contract personnel for items that are unallowable or unauthorized according to the Act or Regulations, unjustified in the proposal, or excessively costly in terms of the applicant's local standards. A funding level is recommended for each applicant.

b. Apportionment and allocation of grant funds - For three categories of ESAA grants (Basic, Pilot and NPOs) an apportionment is assigned to each state according to a formula based on the number of minority children in the state aged 5-17 years. Within each state, eligible applicants are funded in order of total application score - highest to lowest - in the amounts recommended as a result of the budget review. Allocation proceeds until two-thirds of the state apportionment has been awarded within each state. Applicants that remain unfunded in each state, either because of low quality scores or because allocated funds were exhausted before they were reached on the rank order list, are permitted to revise and resubmit their applications to increase their quality score. The unfunded districts are then reranked within each state in order to compete for the remaining one-third of the state apportionment.

In other categories of ESAA grants (Bilingual, Special and Educational Television), applicants are ranked nationally for funding on the basis of the

Continued--

total application score. Eligible applicants are funded in order - highest to lowest - at the recommended levels. A resubmit process similar to that for the state apportionment categories also occurs, except for some Special grant subcategories and Educational Television grants.

c. Redistribution of Basic, Pilot and NPO apportionments - In some states, funds remain after the within-state allocation process, since grant fund requests fall short of state apportionments. In other states, requests exceed state apportionments and applicants not in legal hold who achieve above the minimum quality score are placed in "fiscal hold." The excess funds in states in which apportionments exceed requests are redistributed to states in which requests exceed available funds. The redistributed funds are awarded within each state to the remaining applicants in fiscal hold in order of their total score.

Applicants that remain unfunded consist of those who fail to achieve the minimum quality score, who remain in legal hold, or who remain in fiscal hold because of their application's low ranking and insufficient state funds, even after redistribution.

Conceptual Framework of Study

The analyses of the influence and effectiveness of ESAA program operations at the Federal level in targeting grants, funds and services to those districts with the greatest desegregation-related needs were based on a simple model of the ESAA program. A pictorial representation of the model is shown in Figure 1.1(a). To illustrate its application, it is employed in Figure 1.1(b) to describe the classroom factors influencing student achievement. The arrows indicate that the degree to which the outcomes are achieved depends not only on the process (instruction in the example), but also on how the resources, and the characteristics of the managers and the target group interact in the process. For example, some students may perform well with certain types of instruction, but not with specific teachers; some teachers may work best with certain types of instructional processes, but not others. The availability of resources can influence all situations.

As applied to the ESAA program, the model takes the form shown in Figure 1.2. The model illustrates that the effectiveness of the program in achieving the purposes of the Act is not solely a function of how each project uses its grant funds with particular students and teachers, but also on the degree to which appropriate LEAs or other organizations are receiving grants; and whether need-related activities are being funded, with sufficient funds, for a sufficient period to accomplish local and national goals.

The 3-year national evaluation performed by the System Development Corporation[7] was focused primarily at the impact of ESAA projects in achieving the national ESAA goals at the local level. The usefulness of a study at this level lies in its ability to identify the activities, funding levels and characteristics of sites that are likely to lead to projects that achieve the purposes of the Act.

Since the day-to-day operations of local projects are not at the control of Federal program administrators, however, the major leverage that can be exerted at the Federal level to achieve the statutory goals is to influence who receives an award for what activities at what funding levels for what duration. This influence can be achieved through the pre-application information dissemination and technical assistance process, and the application review and fund allocation process. The

FIGURE 1.1(a)

ANALYTICAL MODEL

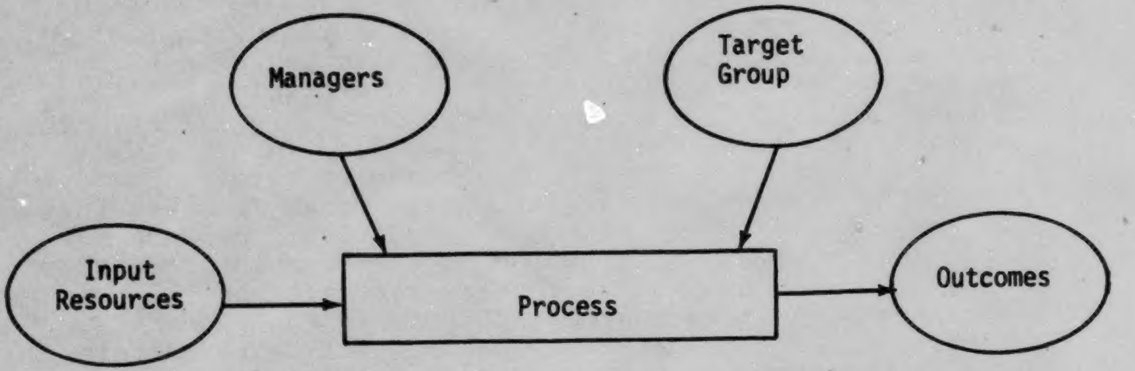

Managers
Target Group
Input Resources
Process
Outcomes

FIGURE 1.1(b)

ANALYTICAL MODEL APPLIED TO CLASSROOM INSTRUCTION

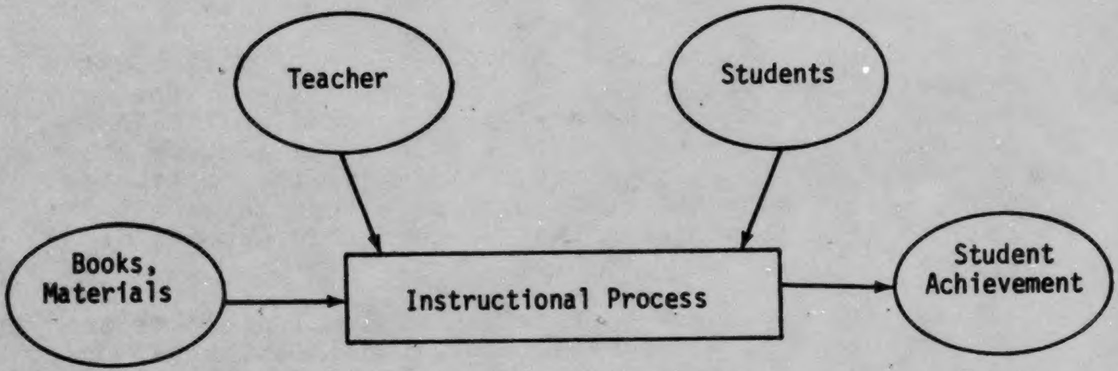
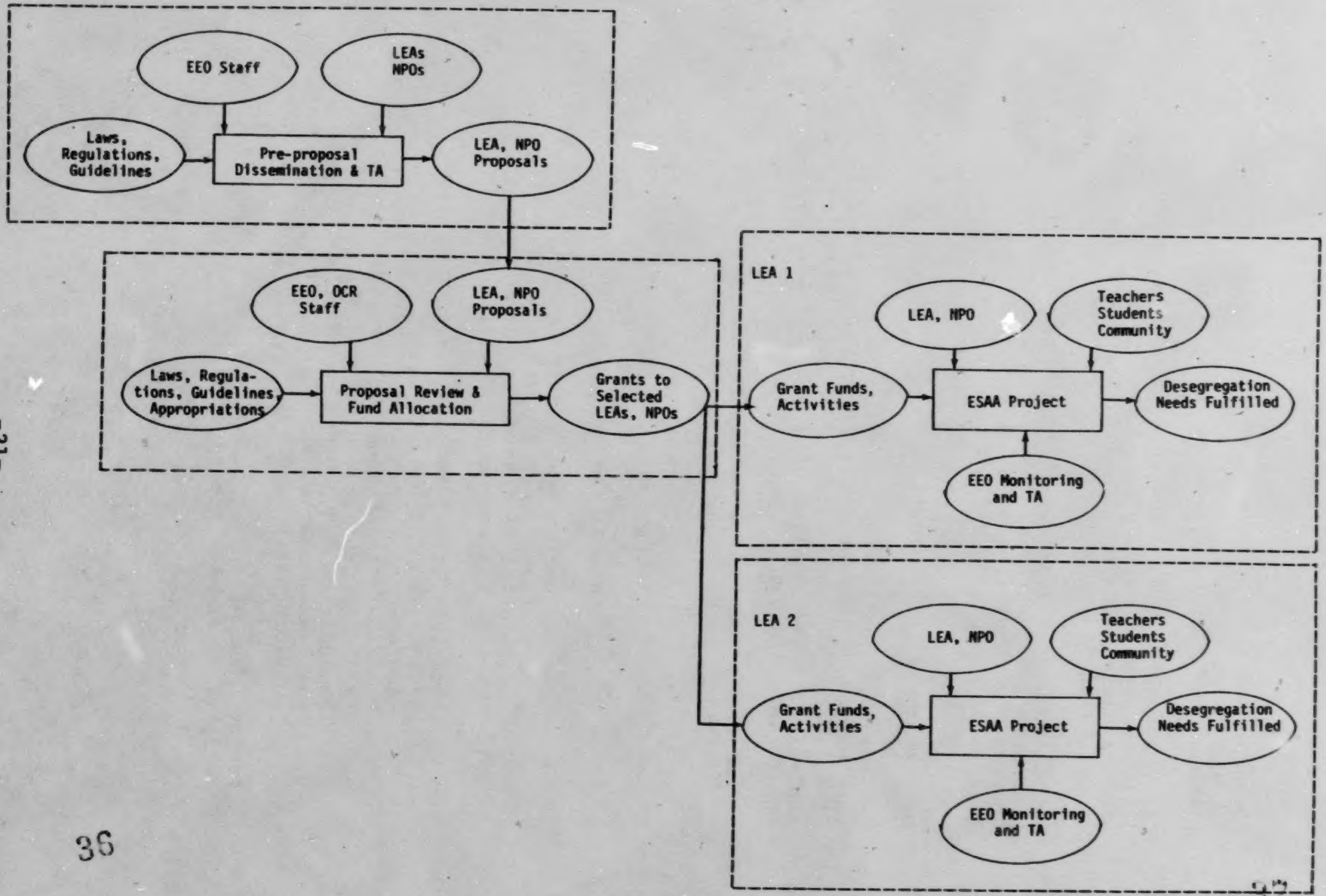

Teacher
Students
Books, Materials
Instructional Process
Student Achievement

FIGURE 1.2

ANALYTIC MODEL OF ESAA PROGRAM


EEO Staff
LEAs NPOs
Laws, Regulations, Guidelines
Pre-proposal Dissemination & TA
LEA, NPO Proposals
EEO, OCR Staff
LEA, NPO Proposals
Laws, Regulations, Guidelines, Appropriations
Proposal Review & Fund Allocation
Grants to Selected LEAs, NPOs
LEA 1
LEA, NPO
Teachers Students Community
Grant Funds, Activities
ESAA Project
Desegregation Needs Fulfilled
EEO Monitoring and TA
LEA 2
LEA, NPO
Teachers Students Community
Grant Funds, Activities
ESAA Project
Desegregation Needs Fulfilled
EEO Monitoring and TA

former process can influence who applies for a grant, the funding level requested, and the type of activities proposed. The applications resulting from the pre-application process are in turn the target group for the application review and fund allocation process. This latter process can potentially influence which of the applicants receives a grant for which fraction of the requested funds for which of the proposed activities.

This study investigated the extent to which these two processes focused the grants, funds and activities to those school districts with the greatest needs for desegregation-related assistance.

Data Analysis and Sources

A mix of qualitative and quantitative data analyses were performed to assess the effectiveness of ESAA program operations. Statistical analyses were performed for the analysis of the targeting of grants and grant funds using the following data:

- ESAA grant award data for Basic, Pilot, Bilingual and Special grants for FY 73 - FY 77;
- ESAA application data for the above grant categories for FY 77 and for FY 76 Basic applicants (OE '139' forms);
- School district demographic data (e.g., poverty rate, urban status) from 1973-1974 Retabulation of Census Data by School District (Bureau of the Census); and
- 1968-1974 Office for Civil Rights survey data on student enrollment by race/ethnicity, plan type (court-ordered, HEW ordered) and plan implementation year. (Although OCR also collected data in 1976, the editing and processing of this data had not been completed sufficiently for use in this project.)

A further description of the data base employed is given in Chapter II and the Appendix.

Qualitative data were obtained from unstructured interviews of school administrators and community members in 22 school districts throughout the nation that received FY 77 ESAA grants to examine the focus of ESAA projects and the need for Federal assistance. Information was sought on school district perceptions of their programmatic and financial needs related to desegregation and the extent to which these needs are being fulfilled by the ESAA program. A major interest in each of the site visits was the relationship of the ESAA project and funded activities to other Federal projects and activities.

The collected information is summarized in the case study summaries in Volume II. The 22 sites broadly represent different types of ESAA grants (Basic, Pilot, Bilingual and Special) and districts with different desegregation-related characteristics (type of eligible plan, recency of implementation, geographical region, proportion minority, enrollment, etc.). A more detailed description of the sites is found in Volume II.

Information on the structure and operation of the ESAA program was obtained through interviews conducted with OE/Equal Educational Opportunity Program staff and staff of the Office for Civil Rights.

I.B. The Targeting of Grants and Grant Funds

While the number of newly desegregating districts has declined in the past few years, a list of these districts would include many of the major urban areas of the north and west. In these school districts, the costs of educational change precipitated by desegregation are high. The ESAA program has been increasingly the focus of requests for financial assistance. In the last three years, newly funded ESAA districts include Boston, Detroit, Minneapolis, St. Paul, San Diego, Des Moines, Hartford, Philadelphia, Omaha and Milwaukee.

Concurrently, many of the districts desegregating in the period prior to 1974 are seeking assistance for "second generation" problems, i.e., problems dealing with within school and within classroom problems of isolation and resegregation. However, in the period between FY 73 and FY 76, ESAA appropriations declined 30 percent in constant value dollars.[8]

With limited appropriations, it is important that ESAA grant funds be increasingly focused and strategically distributed to maximize their effectiveness. This can be accomplished by (1) awarding grants, and thereby grant funds, only to school districts that are judged to have greater desegregation-related needs and projects of exceptional quality, and/or by (2) awarding more funds to applicants with exceptional needs or quality. Targeting in the present context refers to both these approaches.

In this first volume of the study, we examine the targeting of grants and grant funds in the Basic, Pilot, Bilingual and Special grant categories to LEAs in need of desegregation-related assistance. The targeting of grants and grant funds are investigated separately. In Chapter II, we examine the eligibility and application criteria for grant recipients to determine the intended characteristics of grant recipients. The findings concerning the targeting of grants are then presented through a comparison of the rates at which school districts having the intended characteristics were receiving grants with the award rates for other districts.

Chapter III examines the influence of ESAA program operations on the targeting of grants and suggests factors that contributed to the targeting patterns found in Chapter II.

In Chapter IV, we present the findings concerning the targeting of grant funds and the program processes that influence the dollar amounts awarded grant recipients.

A preliminary report of these findings has previously been presented.[9]

FOOTNOTES

1. P.L. 88-352.

2. Keyes v. School District No. 1, 46.L.Ed.2d 657.

3. P.L. 93-380, Title II.

4. P.L. 93-318, Sec. 702.

5. John E. Coulson et al., The Second Year of Emergency School Aid Act (ESAA) Implementation, System Development Corporation, Report TM5236/009/000 (Santa Monica, CA, 1976).

6. U.S. General Accounting Office, Report HRD 78-36, January 20, 1978.

7. Supra note 5.

8. Congressional Record, May 27, 1976, p. S8154.

9. Stephen M. Smith, An Assessment of ESAA Program Operations: Preliminary Findings Concerning the Targeting of ESAA Grants and Grant Funds, Applied Urbanetics, Inc., (Washington, DC, 1978).

II. TARGETING OF ESAA GRANTS

Introduction

This chapter begins to investigate whether ESAA grants are targeted to districts with the greatest desegregation-related needs by examining whether ESAA grants are focused on the intended recipients.

We review the characteristics of the intended grant recipients as defined by the Act and Regulations in Section A. In Section B, we examine the characteristics of actual grant recipients and the rate at which grants are awarded to districts that are considered to have high needs versus districts with low needs. If the award rate for districts with high needs is much greater than the award rate for districts with low needs, then it can be said that ESAA grants are focused to districts with high needs. Section C summarizes the findings and presents conclusions.

II.A. Who are the Intended Grant Recipients? A Review of the Act and Regulations

Congress found that "the process of eliminating or preventing minority group isolation and improving the quality of education for all children often involves the expenditure of additional funds to which local education agencies do not have access."[1] Minority group isolation is defined by the Act as the condition in which minority children are attending schools that are over 50 percent minority. Several criteria were established by the Act to restrict applications, and therefore grants, to districts in the process of eliminating or preventing minority group isolation. These are referred to as threshold eligibility criteria and compliance eligibility criteria. Other criteria were established to select and award grants to applicants with the greatest need for financial assistance. These criteria are presented generally in the Act and more specifically in the ESAA Regulations.

Threshold Eligibility

As a result of the above finding, Congress authorized that any local education agency (LEA) is eligible for ESAA financial assistance if it has been undertaking to reduce or eliminate minority group isolation either (1) through implementation of a required plan pursuant to a court or agency order to desegregate minority group segregated children or faculty; or (2) through a non-required plan adopted voluntarily through local initiative.[2]

The detailed specification of an acceptable plan was left to the Regulations, with one exception: the Act excludes "freedom of choice" plans as acceptable plans unless the DHEW determines that the plan would result in a complete elimination of a dual school system.[3] For Pilot grants, the Act also restricts eligibility to those school districts with acceptable plans and with enrollments that are over 50 percent minority or with over 15,000 minority pupils.[4]

ESAA "threshold eligibility" requirements according to the Regulations are fairly broad. Any LEA with a required plan, that is, a plan arising "out of a legal obligation to remedy illegal conduct" pursuant to a court or agency order, is eligible. The required plan may relate to students _or_ faculty.[5]

Eligible non-required plans must reduce, eliminate or prevent minority isolation. Since, at minimum, non-required plans need only reduce the degree of minority group isolation in an LEA's schools,[6] most districts with minority students could achieve eligibility with minimum student reassignment. For example, if one minority student is reassigned from a school over 90 percent minority to a school that is 70 percent minority, the degree of isolation for that student is reduced. If the degree of isolation at the 70 percent school does not become equal to or greater than that at any other school, the LEA would be eligible, provided the reassignment constituted an official school policy to reduce minority isolation and was evidenced by an "official document."[7]

School districts may also adopt an eligible plan to prevent minority isolation, if there is a proven likelihood of one or more schools becoming over 50 percent minority. In this case, no students need to be reassigned for eligibility.[8]

The Act and Regulations also mandate that a school district must be in an implementation phase and not a planning phase to desegregate or to reduce isolation.[9] In the Education Amendments of 1976, however, authorization was given for the funding of ESAA Special projects for magnet schools, university/business cooperation and neutral site planning.[10] For these Special grants, any school district is eligible to apply.

The date on which a plan was adopted or completed is ruled out by the Regulations as a consideration in the determination of eligibility.[11]

Compliance Eligibility Criteria

Beyond the threshold eligibility requirements, four civil rights-related criteria were also mandated. These compliance criteria[12] restrict eligibility to those LEAs that have not engaged in (or have ceased):

- transferring property, or providing services, to any private school that operates on a racially segregated basis or discriminates in any way on race, color, or national origin;

- disproportionately demoting or dismissing minority staff as a result of the implementation of the plan;
- assigning children to classes in ways which result in segregated classes; and
- practices which discriminate among children in the participation of activities on the basis of race, color, or national origin.

Of the DHEW (OE) programs concerned with equal educational opportunity (Title I and Bilingual Education Title VII, ESEA), ESAA is the only grant program that requires a pre-award review of an LEA's civil rights compliance status.

Selection Criteria

In addition to defining the eligibility requirements for LEAs, Congress also mandated that further criteria be employed in the consideration of applications, that is, criteria for selecting certain applications over others. Several of these criteria for the selection of grant recipients specifically relate to the LEA's plan. DHEW is mandated to consider:

- the degree to which the plan has reduced, or is likely to reduce or prevent minority group isolation;[13]
- the extent to which the plan constitutes a comprehensive district-wide approach to the elimination of minority group isolation to the maximum extent practicable;[14] and
- the degree to which the plan involves to the fullest extent possible the total educational resources of the community.[15]

Equivalent consideration, however, was mandated for LEAs with required plans and LEAs with non-required plans.

The Act also requires in the approval of applications that consideration be given to other criteria: (1) the LEA's need for assistance and (2) the degree to which the applicant's proposed project "affords promise of achieving" the purposes of the Act.[16] Congress suggested that an LEA's need for assistance be evaluated in comparison with other LEAs in its state on such factors as:[17]

1. extent of minority group isolation;
2. financial need;
3. expense and difficulty of implementing the plan; and
4. degree of measurable deficiencies in the quality of public education.

The suggestion that an LEA's need for assistance be evaluated relative to other LEAs in its state follows the mandate in the Act to appropriate most ESAA funds first to states and then within states to eligible LEA applicants. The Act specifies that the appropriation to each state be proportional to the state's fraction of the nation's minority children.[18]

The grant award criteria are translated by the Regulations into program specifications that define the application review and fund allocation process. Most of the criteria are incorporated into the statistical part of the application score. The statistical score is composed of four components[19] which individually relate to:

- the number of minority children enrolled in the LEA;
- the percent of the enrollment that is minority children;
- the effective net reduction in minority isolation as measured by the decrease in the number of minority children attending over 50 percent minority schools weighted by their degree of isolation; and
- the effective net reduction in minority isolation as measured by the decrease in the percent of the LEA's minority children attending over 50 percent minority schools weighted by their degree of isolation.

The remainder of the application rating consists of an assessment of the "educational and programmatic merits," or quality score rating, of the application's narrative of the proposed project.[20] A rating of a needs assessment section comprises one part of the quality rating. The needs assessment section is expected to contain documentation of the magnitude of the LEA's needs in relation to the plan.[21]

In summary then, the intended ESAA grant recipients, according to the Act and Regulations, are:

- only those LEAs fulfilling threshold eligibility criteria by implementing a required or non-required plan (except for three types of Special grants for which any LEA is eligible);

- only those LEAs fulfilling compliance eligibility criteria by not engaging in discriminatory practices or policies with respect to race, color, or national origin;

- those LEAs with high impact plans; plans that are, according to the Act, likely to a high degree to reduce minority group isolation, be comprehensive and district-wide, and fully involve community resources and, according to the Regulations, have high net reduction in the number and percent of minority children attending minority isolated schools;

- those LEAs with high relative need for assistance as demonstrated, according to the Act, by high minority isolation, financial need, plan implementation expense, and deficiencies in educational quality, and, according to the Regulations, by high number and percent minority pupils; and

- those eligible applicants with high quality projects, that is, proposed projects that have a high likelihood of achieving the purposes of the Act as measured by the quality score rating of the proposed project.

II.B. Are ESAA Grants Focused to the Intended Targets?

We present in this section the results of analyses that address the question:

- to what extent have school districts in the nation with the intended characteristics or other desegregation-related characteristics received ESAA grants?

To answer this question, we consider ESAA program operations as a filter with unknown capabilities for selection. On one side of the filter are the nation's school districts, on the other side, ESAA grant recipients. Internally, the first part of the filter is the pre-application process which may affect a school district's decision to apply for a grant; the second part of the filter is the application review and fund allocation process which affects which applicants receive a grant. We examine what fraction (or percent) of the districts having the intended characteristics and other need-related characteristics pass through the filter as compared to the fraction of the districts without these characteristics which are passed. If the percent, or award rate, for districts with the desired characteristics is high, while that for other districts is relatively low, then ESAA program operations have focused grants to the intended districts. For example, if 80 percent of the districts that had a high reduction in minority isolation received ESAA grants, while only 20 percent of the other districts received grants, then one could say that ESAA focused grants to districts with high reductions in minority isolation.

The remaining parts of this section present the results of these analyses for each of the intended characteristics of grant recipients, that is:

- high plan impact; and
- high relative need for assistance.

Subsections B.1 and B.2 present the results for sets of measures of these two characteristics, respectively.

The analyses reported here were performed using a data base consisting of 12,325 LEAs that were operating elementary or secondary school districts, or supervisory unions for which there were either (1) 1970 Census data, (2) ESAA grant data, or (3) data on LEA racial/ethnic characteristics from the Office for Civil Rights (OCR) surveys for fall 1968 to fall 1974. Given the sampling rates for the OCR and Census data, a rough description of this sample is: all school districts with over 3,000 pupils; all school districts with 300 to 3,000 pupils that have not been consolidated or unified since 1970; and those school districts with under 300 pupils that have either received an ESAA grant in the period FY 73 - FY 77, applied for an FY 77 ESAA grant, or have been singled out for investigation by OCR as a result of degegregation-related actions in the period 1968-1974. A more complete description of the data base is given in the Appendix.

For any given desegregation related characteristic of a school district, the data available depend on the sampling rate of the data source. The award rates were not calculated, therefore, on the universe of LEAs. However, since the districts with the preferred characteristics tend to be fully sampled, their award rates were judged to be fairly accurate. Also, since those districts without the preferred characteristics were under-represented, their award rates tend to be overestimated. This leads to conservative estimates of the selectivity of the ESAA program operations "filter." In general, in the calculation of award rates, a district was considered to have received a grant if it ever received at least one ESAA grant, i.e., either a Basic, Pilot, Bilingual, or Special grant, between FY 73 and FY 77.

II.B.1. Target: LEAs with High Impact Plans

In keeping with the basic tenet that the need for ESAA assistance arises out of "the process of eliminating or reducing minority group isolation," the Act identifies as criteria for plan impact the following:

- the degree that minority group isolation is reduced;
- the degree to which the plan is comprehensive and district-wide; and
- the degree of involvement of community resources.

The Regulations, however, only translate the first two criteria into selection criteria; they form two components of the stat score: the effective net reduction in the number and percent of minority children in minority isolated schools.

In this subsection, we analyze the extent to which ESAA grants have been targeted to LEAs with high impact plans using several measures related to these criteria:

1. reduction in the minority group isolation index, which is a measure of the percent of an LEA's minority children in various degrees of minority isolation;
2. reduction in the racial imbalance index, which is a measure of the degree to which the proportions of minority and non-minority students in each school in the LEA differ from the district-wide average; and
3. the combined score for the two stat score components measuring the effective net reduction in number and percent of minority children in minority isolated schools.

The first and third measures relate directly to the first and second criteria specified in the Act. The second measure is commonly used to describe racial isolation and indicates the disparity in minority pupil proportions in schools in an LEA. It therefore is indirectly related to the first two criteria. With respect to the third criterion specified by the Act, the degree of community involvement in the implementation of the plan, no measures were specified by the Regulations and we had no relevant data to offer one.

Before proceeding with a discussion of the results, a description is presented of the minority group isolation index and racial imbalance index employed to measure changes in isolation.

Isolation Indexes

Two measures of isolation are employed: the minority isolation index and the racial imbalance index. We discuss the latter first because it has been most often used in other research. The racial imbalance index measures the average probability[22] that minority and white students in schools in an LEA might interact given the racial/ethnic proportions of the enrollments at each school in the LEA as compared to the probability of interaction if the LEA were one big school with the district-wide proportions of minority and white students.

This index has been used by several other researchers[23] and has sometimes been called the segregation index because if it reaches its maximum value of 1.0, the district is completely segregated. If it takes on its minimum value of 0.0, then the proportions of minority and white students in each school mirror the district-wide proportions - the district is completely racially balanced.

Change in imbalance is measured by subtracting the index for the earlier year from the more recent year, for example, the 1968 index would be subtracted from the 1972 index. A decrease in racial imbalance would be indicated by changes in the index between -1.0 and 0.0. An increase would be indicated by change values of 0.0 to +1.0.

Since the Act does not speak in terms of racial balance, but in terms of minority isolation, a second measure was developed, the minority group isolation index, or minority isolation for short. This index is a measure of the extent that minority children in the district are in schools over 50 percent minority, regardless of the district-wide proportions of minority students. To reflect the degree of minority isolation, the index is a weighted sum of the minority children in over 50 percent minority schools divided by the total number of minority children in the district. Through the weighting factors, minority children in 90 percent minority schools, for example, are considered more isolated than children in 55 percent minority schools. In other words, the minority isolation index is a variant of the measure used in the ESAA application statistical score to assess the net reduction in the percent of minority children in minority isolated schools.[24]

Like the racial imbalance index, the minority isolation index has a maximum value of 1.0. The maximum value is an indication that all the LEA's minority children are in schools that are over 95 percent minority. Similarly, like the racial imbalance index, the minimum is zero. Changes in the index from one year to another could run from -1.0 to +1.0.

As may be obvious, there is a fair correlation between the two indexes (Pearson's r = 0.55). The merit of examining two indexes occurs in instances in which the district-wide proportions of minority children are either very small or very large. If the district-wide proportion is small, for example, 10 percent, the minority isolation index could be near 0.0, while the racial imbalance index may be large. This would signal that the schools are racially imbalanced, but are under 50 percent minority, that is, most minority students are in schools just under 50 percent minority, while most white students attend all-white schools. If the proportion of minority children is much greater than 50 percent, the minority isolation index could be very large, while the racial imbalance index is very small. This would indicate that a district has a high proportion of minority isolated children, but its schools are racially balanced.

To further clarify the differences and merit of the two indexes, examples are presented of the changes in isolation that occurred in four school districts that received ESAA Basic grants in FY 77. The minority enrollment and total enrollment, and the minority isolation and racial imbalance indexes over several years are shown in Figures 2.1 to 2.4. (The districts were part of the case study group, therefore, the names are pseudonyms.)

> In Butternut, (see Figure 2.1) both minority isolation and racial imbalance decreased substantially in the period 1968 to 1972 as a result of additional modifications to an earlier court order. Minority enrollment has increased steadily and become a larger percentage of the total enrollment.

A court order in Redwood in 1972 resulted in a decrease in racial imbalance and minority isolation between 1972 and 1974 (see Figure 2.2) Racial imbalance has exceeded minority group isolation in this district with a relatively small proportion of minority students.

The decreases in racial imbalance in Beech and Evergreen (see Figures 2.3 and 2.4) follow the pattern in Redwood. However, since the minority enrollment as a fraction of the total enrollment has increased substantially in each of these districts, the minority group isolation has also increased substantially. Beech implemented a plan subject to a court order in 1961; Evergreen implemented a voluntary plan in 1972-1973.

FIGURE 2.1

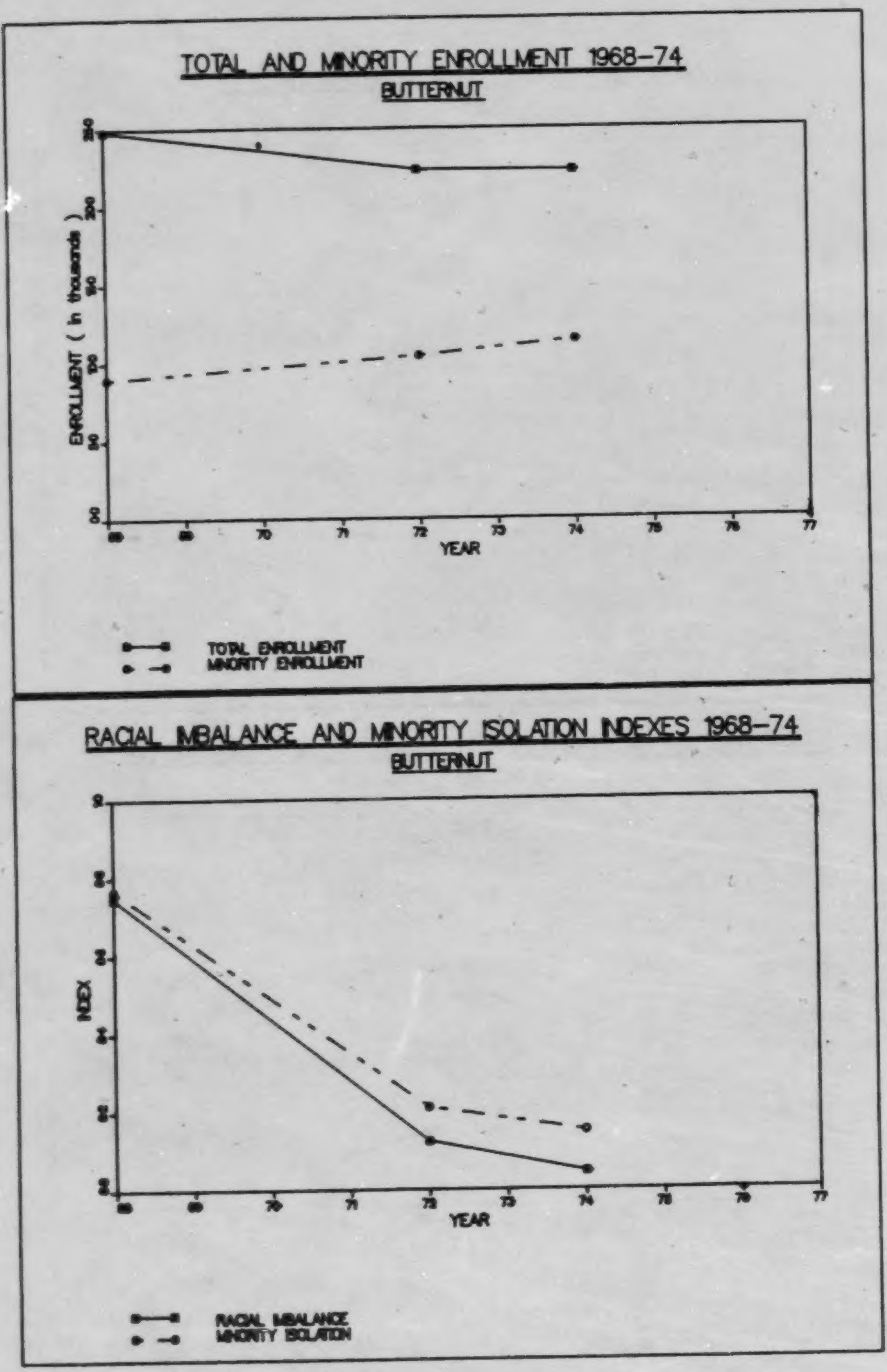
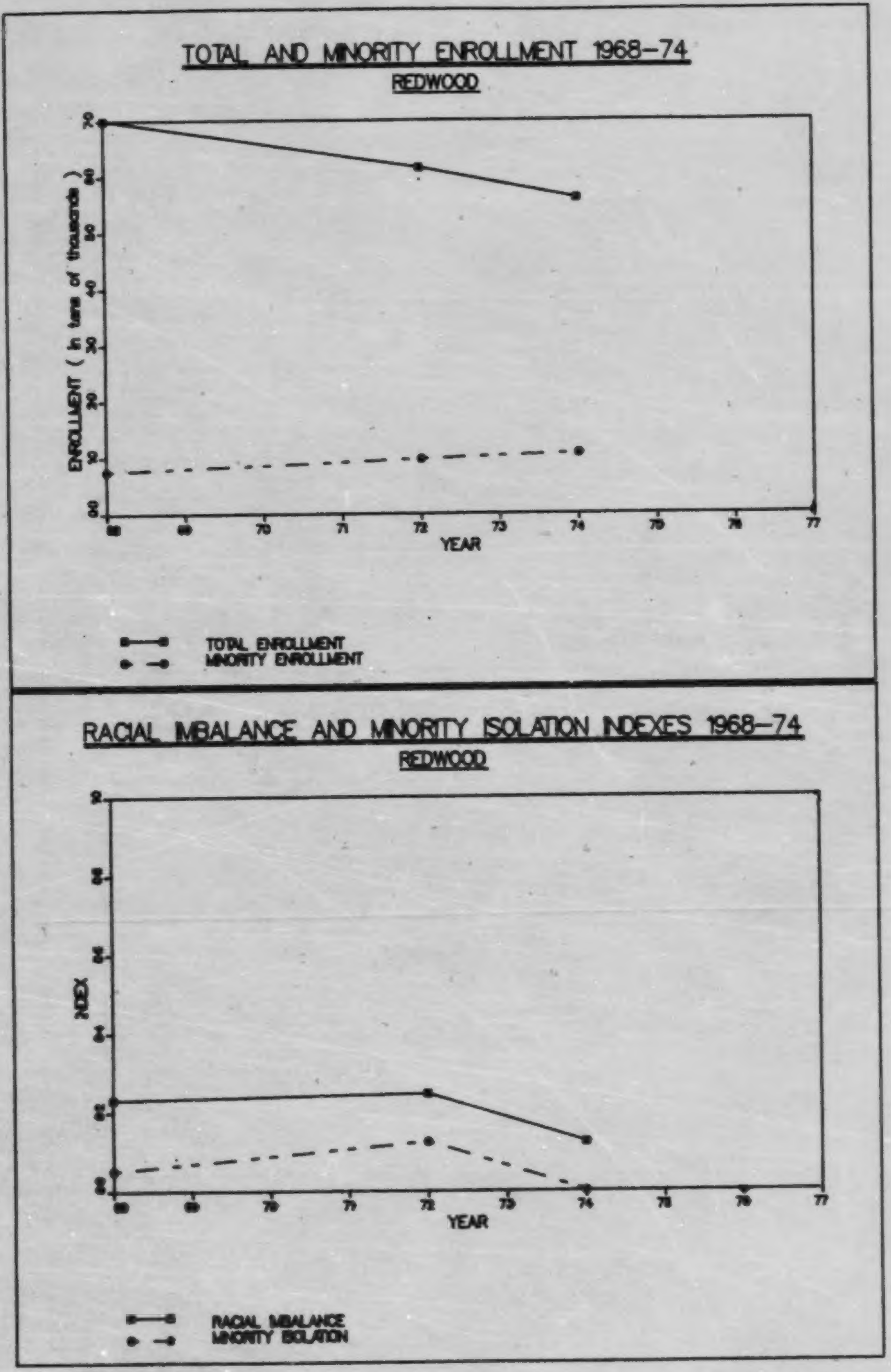

TOTAL AND MINORITY ENROLLMENT 1968–74
BUTTERNUT
ENROLLMENT (in thousands)
250
200
150
100
50
0.0
68
69
70
71
72
73
74
75
76
77
YEAR
TOTAL ENROLLMENT
MINORITY ENROLLMENT
RACIAL IMBALANCE AND MINORITY ISOLATION INDEXES 1968–74
BUTTERNUT
INDEX
68
69
70
71
72
73
74
75
76
77
YEAR
RACIAL IMBALANCE
MINORITY ISOLATION

FIGURE 2.2



TOTAL AND MINORITY ENROLLMENT 1968-74

REDWOOD

RACIAL IMBALANCE AND MINORITY ISOLATION INDEXES 1968-74

REDWOOD

FIGURE 2.3

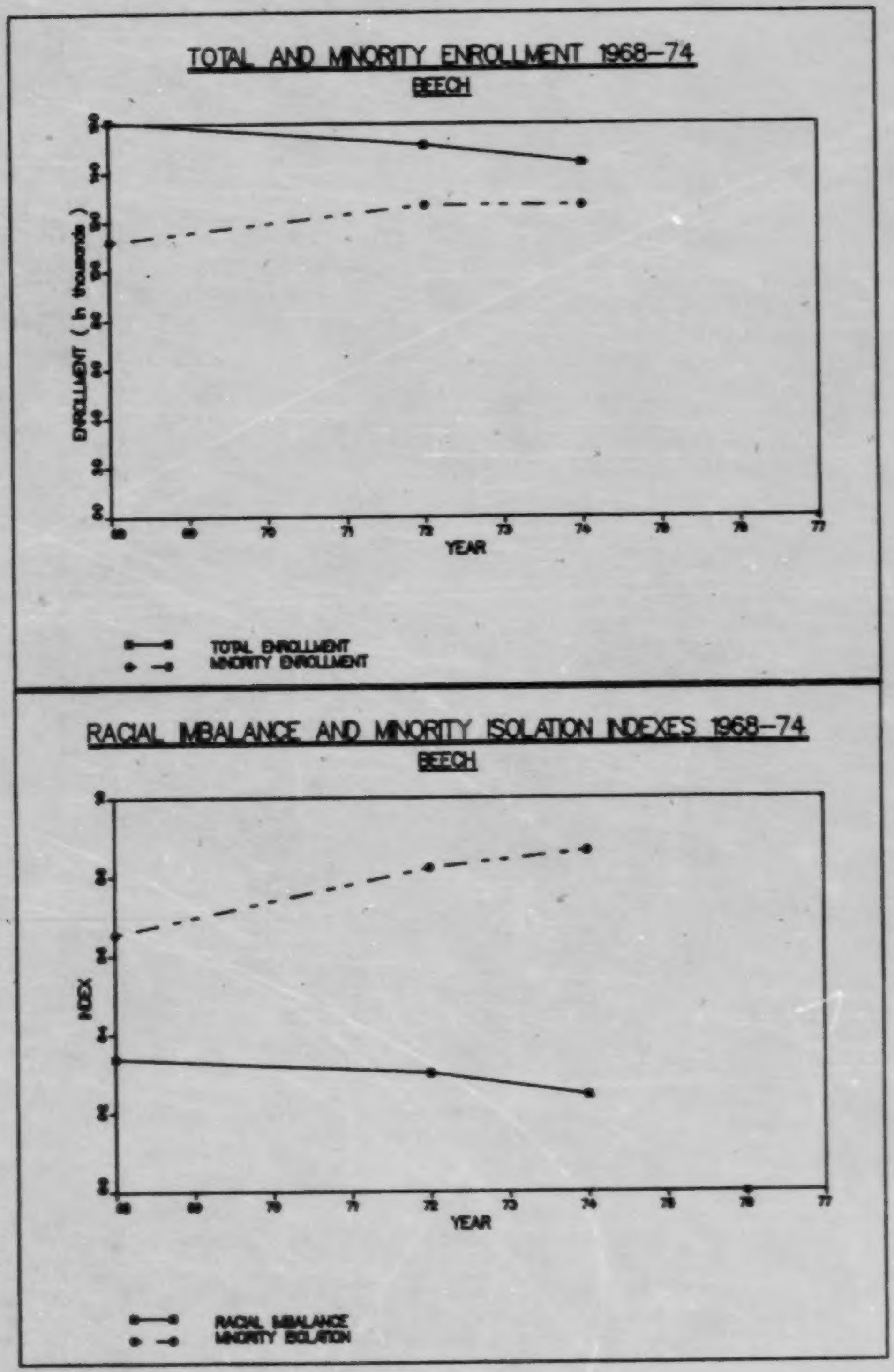
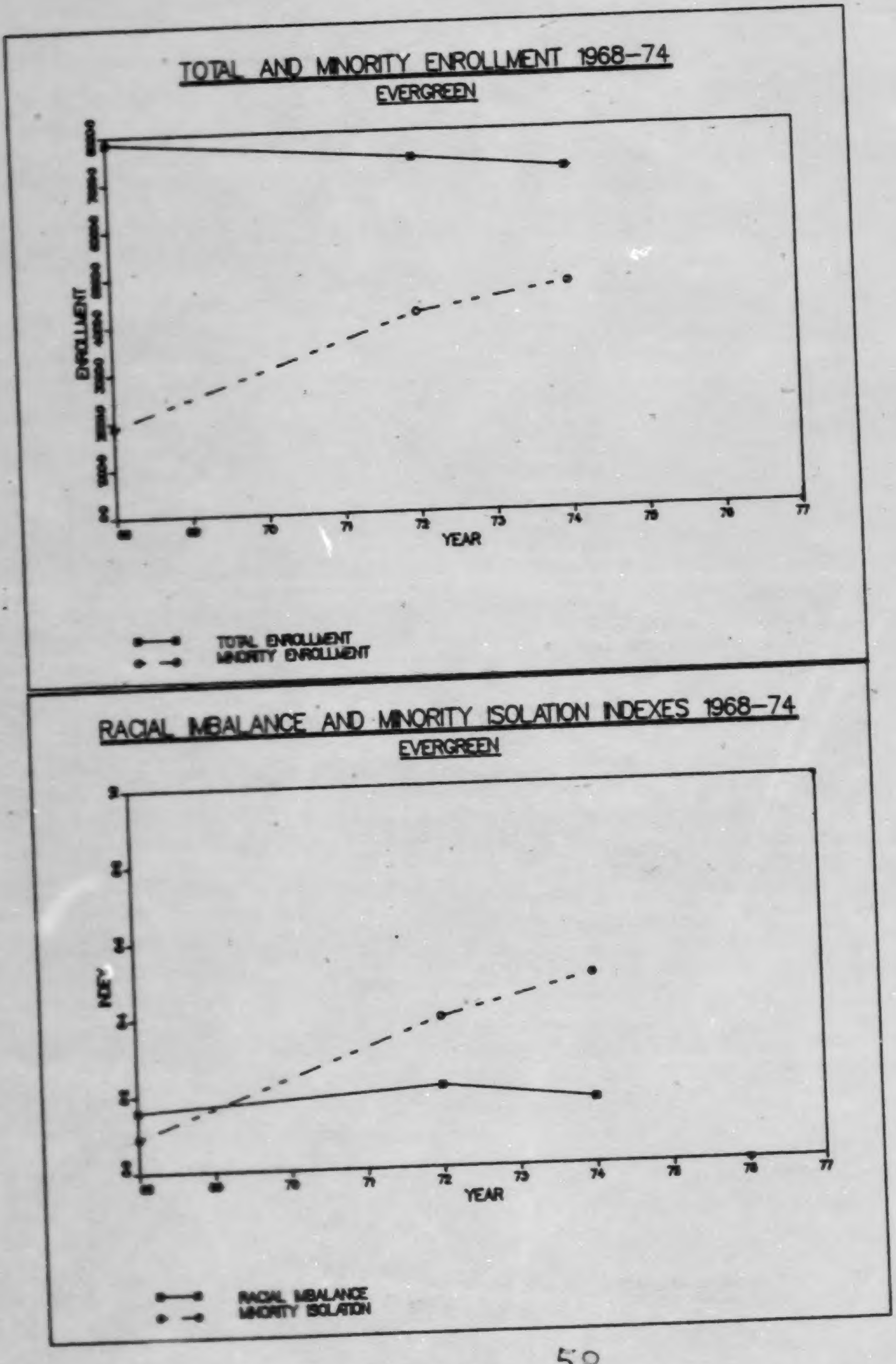

TOTAL AND MINORITY ENROLLMENT 1968-74
BEECH
ENROLLMENT (in thousands)
68
69
70
71
72
73
74
75
76
77
YEAR
TOTAL ENROLLMENT
MINORITY ENROLLMENT
RACIAL IMBALANCE AND MINORITY ISOLATION INDEXES 1968-74
BEECH
INDEX
68
69
70
71
72
73
74
75
76
77
YEAR
RACIAL IMBALANCE
MINORITY ISOLATION

FIGURE 2.4


TOTAL AND MINORITY ENROLLMENT 1968-74
EVERGREEN
ENROLLMENT
70
71
72
73
74
75
76
77
YEAR
TOTAL ENROLLMENT
MINORITY ENROLLMENT
RACIAL IMBALANCE AND MINORITY ISOLATION INDEXES 1968-74
EVERGREEN
INDEX
70
71
72
73
74
75
76
77
YEAR
RACIAL IMBALANCE
MINORITY ISOLATION

Changes in Isolation

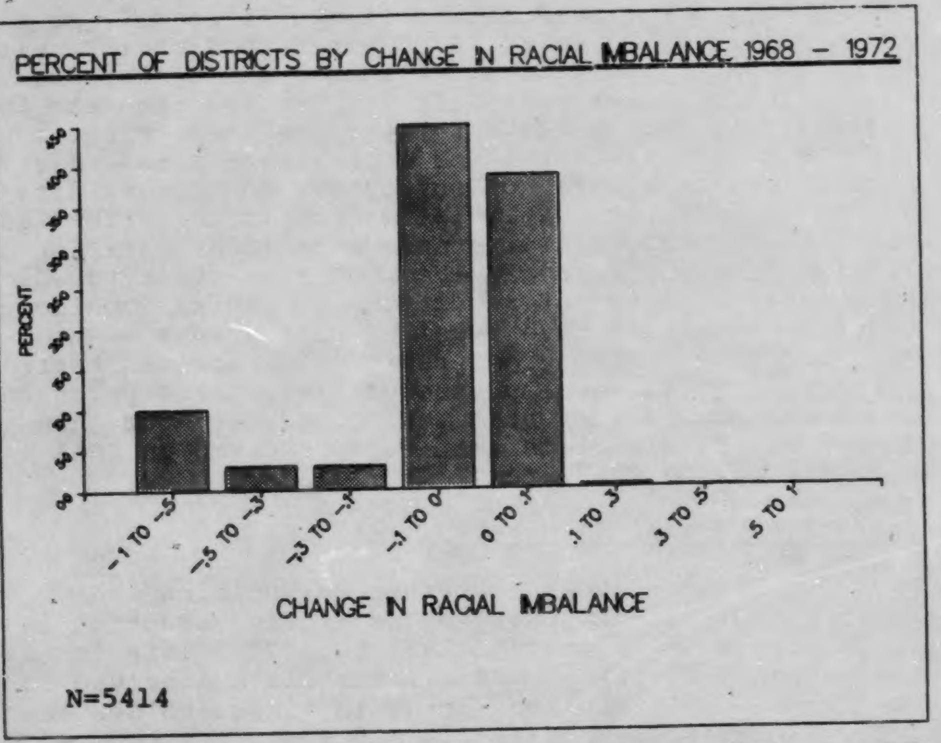
We analyzed the OCR survey data to calculate the changes in racial imbalance and minority group isolation over the years 1968 to 1972 to determine the extent to which districts with known high reductions in isolation received a subsequent ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 to FY 77 compared to districts with little or no known reductions. Although OCR survey data are available for later years (FY 73, FY 74), the data for these years were not useful for these analyses, since a smaller LEA sample was taken and approximately one-third of the ESAA grantees were not surveyed. OCR survey data for FY 76 were not yet available for public use. The lack of adequate post-1972 racial/ethnic enrollment data for school districts prevented analyses of the extent to which districts with more recent reductions in racial imbalance and minority isolation have received ESAA grants. However, since most ESAA grant recipients received their first grant in FY 73 and implemented their plans prior to 1973, these analyses are estimated to address more than 75 percent of the districts that have received an ESAA grant in the period FY 73 to FY 77.[25]

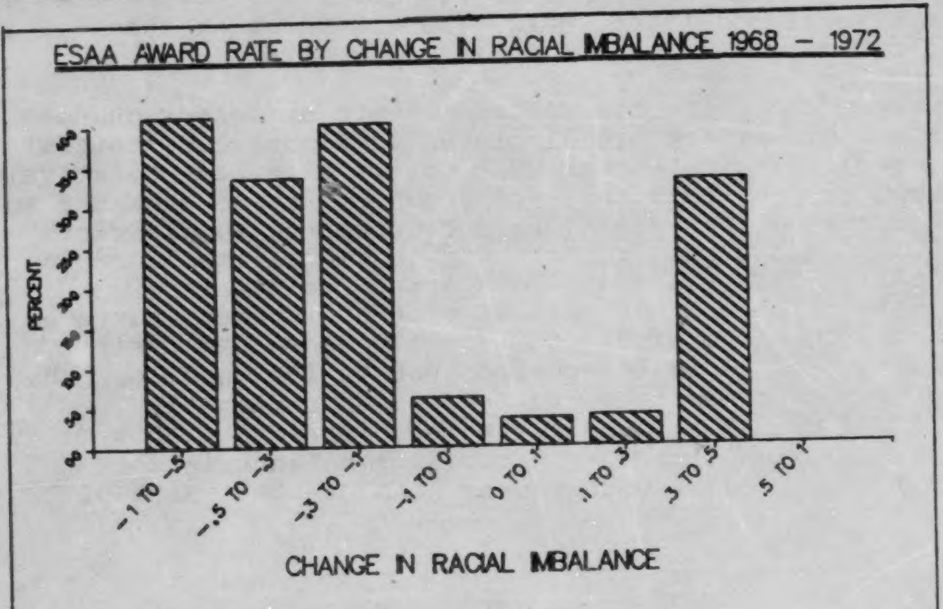
Changes in Racial Imbalance

Figure 2.5 (top) shows that the overwhelming proportion of districts surveyed had little reduction in racial imbalance in the period 1968 to 1972. This is not surprising since 82 percent of all districts surveyed in 1968 had low racial imbalance, that is, index values less than 0.1. However, approximately 520 districts reduced their racial imbalance index values by greater than 0.5 in this period.

The award rates for districts with different changes in racial imbalance are displayed in Figure 2.5 (bottom). The results indicate that ESAA grants have been relatively focused on districts that are known to have a moderate to high decrease in racial imbalance compared to districts with low reductions or increases in racial imbalance in the period 1968 to 1972. ESAA grant recipients constituted roughly 40 percent of the districts surveyed that are known to have significantly decreased their racial imbalance in the period 1968 to 1972 and less than 6 percent of those that had increased or slightly decreased racial imbalance. A few districts with a relatively high increase in racial imbalance in this period also received subsequent ESAA grants. Each of

FIGURE 2.5





Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

these percentages must be considered as lower estimates since cross year data are not available for 26 percent of ESAA grantees.

The 3 year national study of ESAA performed by System Development Corporation (SDC) found, using OCR survey data, that districts that had received FY 73 and FY 74 Basic and Pilot grants initially had high values of racial imbalance, but the values decreased substantially by 1972.[26] Available data for all grant years and categories indicate that the average decreases in index values were 0.36 for grantees and 0.06 for non-grantees.

Changes in Minority Isolation

The results for changes in minority isolation as measured by the minority isolation index are somewhat similar. Most surveyed districts had only slight decreases in minority isolation in the period 1968 to 1972 (see Figure 2.6, top). However, 548 districts are known to have decreased their minority isolation by greater than 0.5. The average decrease was 0.31 for grantees and 0.06 for non-grantees.

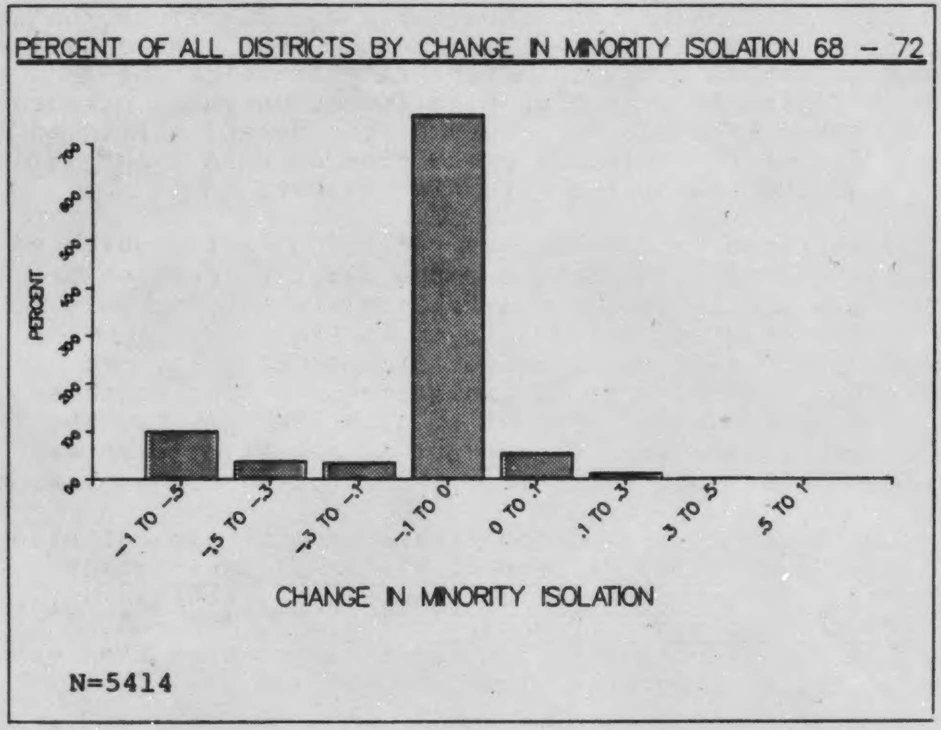
The pattern of award rates for districts with different changes in minority isolation differs from that found for racial imbalance (see Figure 2.6, bottom). Compared to the districts with little or no reduction in minority isolation, ESAA grants were relatively focused not only on districts with moderate to high decreases in minority isolation, but also on districts with increases in isolation. Although one-half (33) of these latter districts adopted a plan after 1972, only a few (6) achieved moderate reductions in minority isolation. These include, however, Boston, Milwaukee and Prince Georges County, Maryland.

These results and the results for changes in racial imbalance indicate that a substantial proportion (over 1/2) and number (over 300) of the districts known to have either a high reduction in minority isolation or racial imbalance in the period 1968 to 1972 did not receive a subsequent ESAA Basic, Pilot, Bilingual or Special grant. Since the OCR data also indicate that 98 percent of these districts were subject to a court or agency order prior to 1974, their non-receipt of an ESAA grant can not be attributed to a lack of an eligible plan.

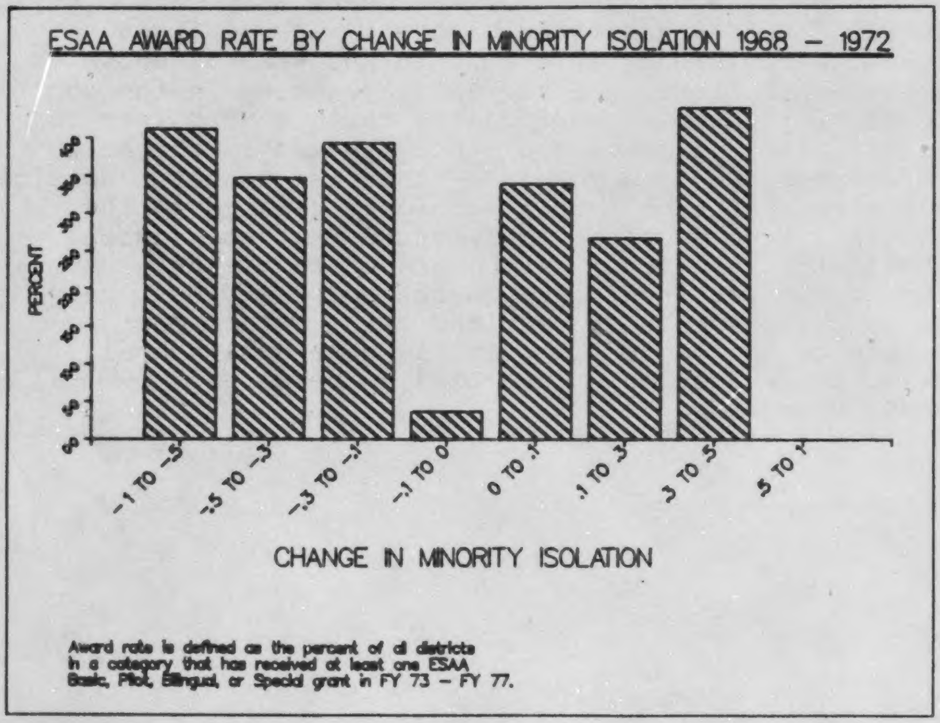
The implication is that over half the known eligible districts with high plan impact according to these two measures either did not apply for an ESAA grant, or did apply, but were not selected for a grant. Data on which districts applied for ESAA grants were only available for FY 76 and FY 77. These data indicate that few of these districts have recently applied for an ESAA grant; for example, only 6 of the 314 districts that had a high reduction in racial imbalance applied for a FY 77 Basic, Pilot, Bilingual or Special grant. Since the number of Basic grant applicants exceeds the number of grant recipients by approximately 100 each year, it appears likely that a large fraction of these districts never applied for an ESAA grant.

All of these eligible districts with high reductions in isolation are located in the border states and the south, a third in Georgia and Mississippi. Three-fourths were subject to court or HEW orders in 1968. Of the 90-odd districts with post-1968 orders, nearly 70 percent had less than 5,000 pupils and 75 percent had an enrollment over 50 percent minority.

FIGURE 2.6


PERCENT OF ALL DISTRICTS BY CHANGE IN MINORITY ISOLATION 68 – 72

N=5414


ESAA AWARD RATE BY CHANGE IN MINORITY ISOLATION 1968 – 1972

Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

Plan Impact and Stat Score Components

Data on plan impact as measured by the two stat score components related to the effective net reduction in minority isolation are only available for districts that have recently applied for ESAA grants. Thus, these data did not permit an analysis of the rate at which the nation's districts with high plan impact on these measures have received ESAA grants. They did, however, permit an examination of the relative proportion of ESAA grant recipients that had plans with high impact.

The combined scores for net reduction in the weighted number of minority children and the weighted percent of the LEA's minority children attending minority schools for FY 77 Basic grantees are displayed in Figure 2.7. Fourteen percent of all grantees did not have any net reduction in minority group isolation according to these stat score components. For Pilot grant recipients, the proportion is greater: 40 percent of all Pilot grantees did not have any net reduction in minority group isolation.

Plan impact is seen to be related to the type of plan in Figure 2.8. Forty percent of all FY 77 Basic grant recipients with a non-required plan did not achieve any net reduction in minority group isolation. The median number of reduction points for non-required plan LEAs was 3 out of 50; for required plan LEAs, it was 23.

Plan impact according to these measures is also very different for ESAA grant recipients in the south as compared to recipients in the north and west as shown in Figure 2.9. While most FY 77 Basic grantees in the south achieved over 20 points out of the maximum 50 points for these measures, 35 percent of the grantees in the north and west received zero points -- they had no net reduction in minority isolation. This is highly related to the predominant type of plans implemented in these regions. In the south, 96 percent of the grant recipients implemented a required plan; in the north and west only 30 percent implemented a required plan. Since most districts in the south historically were dual school systems, their required plans tend to be more comprehensive.

FIGURE 2.7

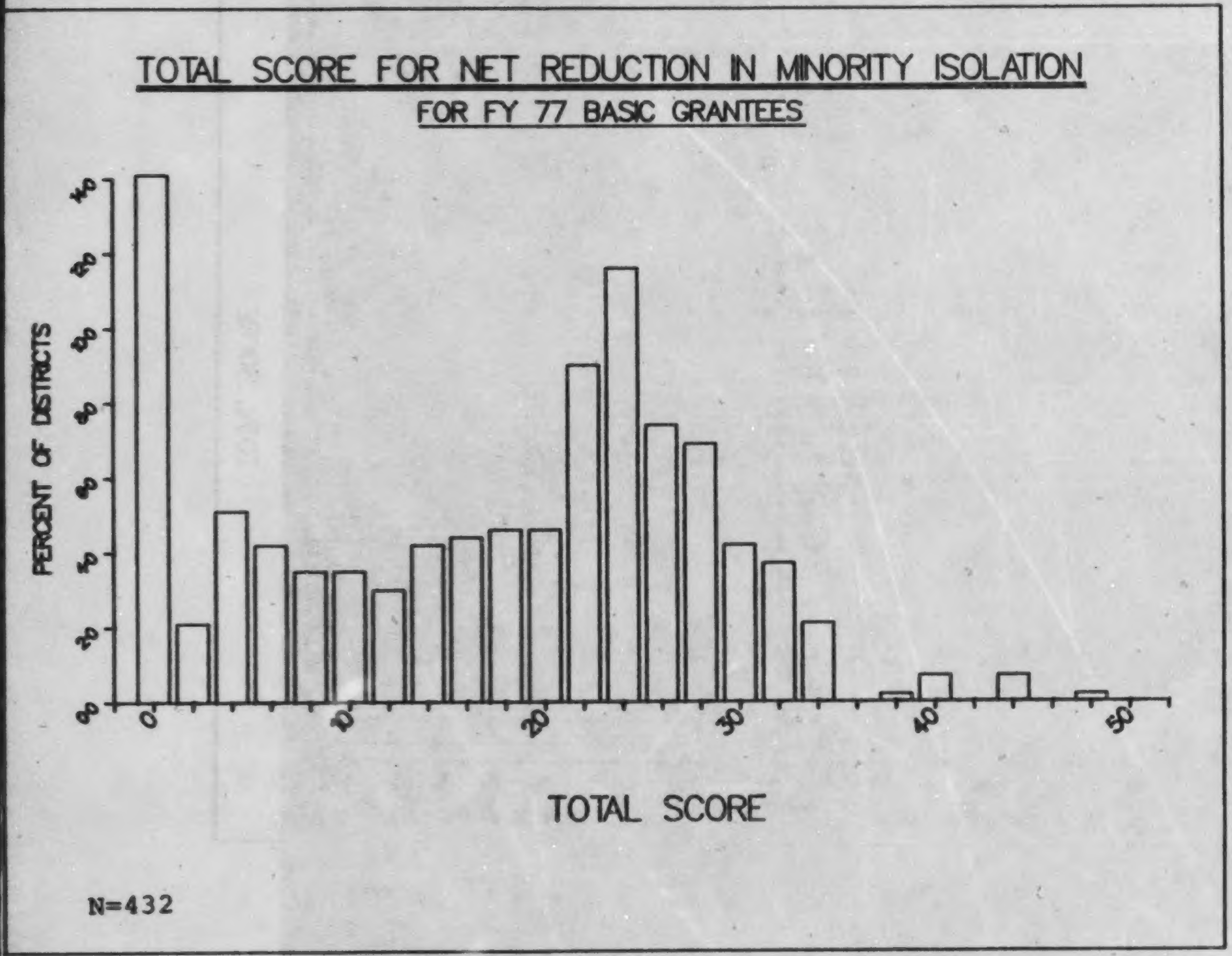
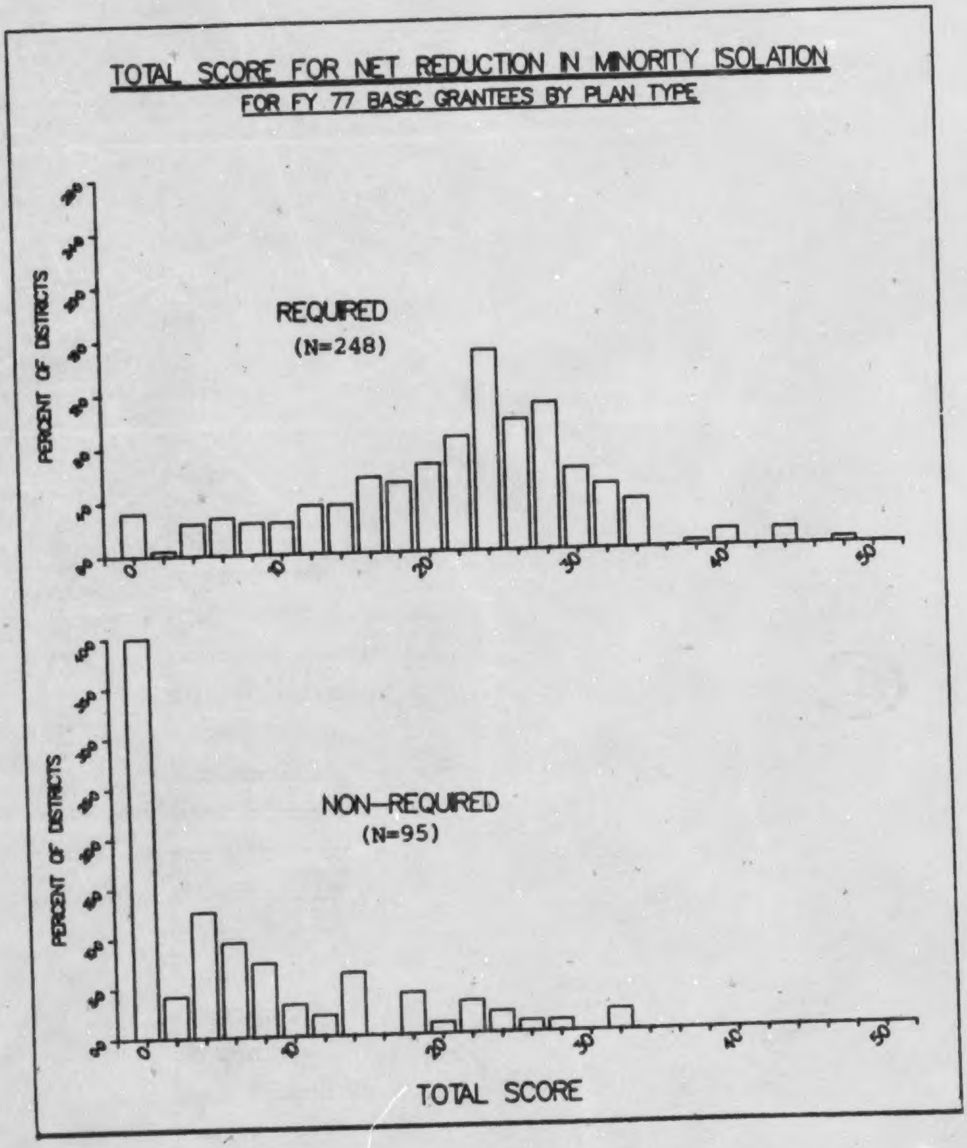
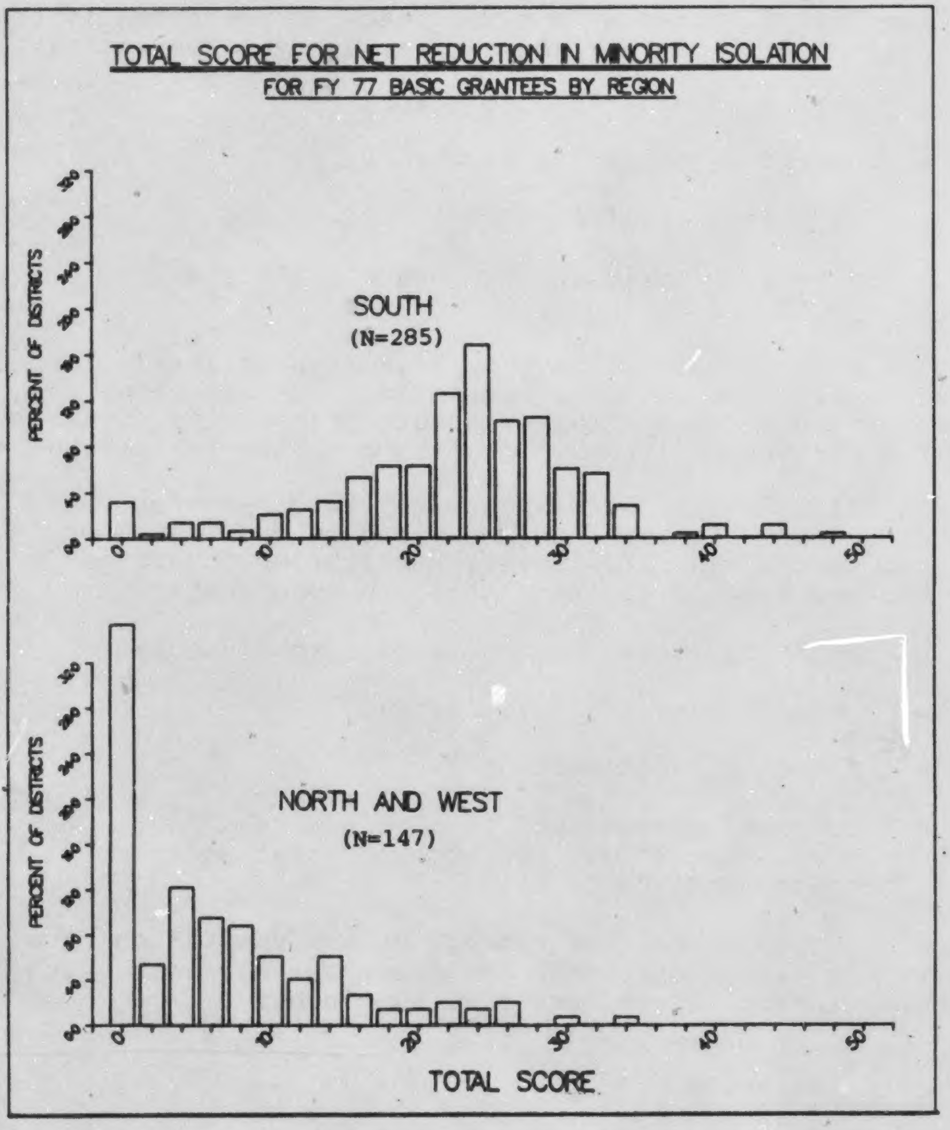

TOTAL SCORE FOR NET REDUCTION IN MINORITY ISOLATION
FOR FY 77 BASIC GRANTEES
PERCENT OF DISTRICTS
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
0
10
20
30
40
50
TOTAL SCORE
N=432

FIGURE 2.8


TOTAL SCORE FOR NET REDUCTION IN MINORITY ISOLATION

FOR FY 77 BASIC GRANTEES BY PLAN TYPE

FIGURE 2.9


TOTAL SCORE FOR NET REDUCTION IN MINORITY ISOLATION
FOR FY 77 BASIC GRANTEES BY REGION
PERCENT OF DISTRICTS
SOUTH
(N=285)
0
10
20
30
40
50
PERCENT OF DISTRICTS
NORTH AND WEST
(N=147)
0
10
20
30
40
50
TOTAL SCORE

II.B.2. Target: LEAs With High Relative Need for Assistance

As reviewed in Section II.A, Congress mandated that the need for assistance be taken into consideration in the approval of applications and suggested several criteria:

- extent of minority isolation;
- degree of financial capability;
- expense in implementing the plan; and
- extent of deficiencies in the quality of public education.

The Regulations do not translate these criteria into operational measures. The Regulations rather define as two stat score components the number of minority pupils and the percent of minority pupils in a district's schools.

In this section, we examine the award rate for districts with high need as described by four measures related to the minority isolation criterion suggested in the Act and related to the stat score components:

- minority isolation (and racial imbalance);
- percent minority enrollment;
- minority enrollment, and
- combined percent and total minority enrollment (i.e., the combined stat score components).

In addition to these, the recency of implementation of a district's plan and several measures commonly associated with LEA financial need are also examined.

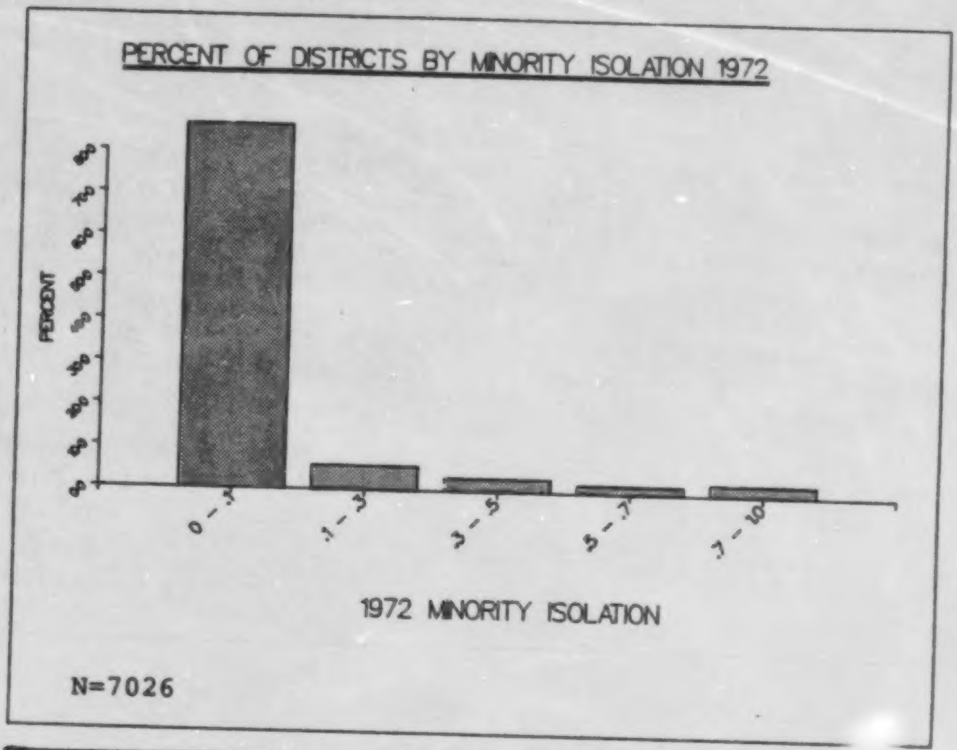
Minority Isolation

As suggested in the previous section, by 1972 minority isolation and racial imbalance were low (index values less than 0.1) for more than 85 percent of the districts surveyed by OCR. Figures 2.10 and 2.11 show that the rates at which these districts received subsequent ESAA awards were significantly less than the districts with medium (index values 0.1 to 0.5) and high (0.5 to 1.0) isolation. The results are similar if only LEAs with required plans (pre-1974) are examined.[27] Roughly 40 percent of the districts known to have medium and high levels of minority isolation and racial imbalance in 1972 received at least one ESAA Basic, Pilot, Bilingual or Special grant between FY 73 and FY 77. Similar results were found for the smaller 1974 OCR sample data.

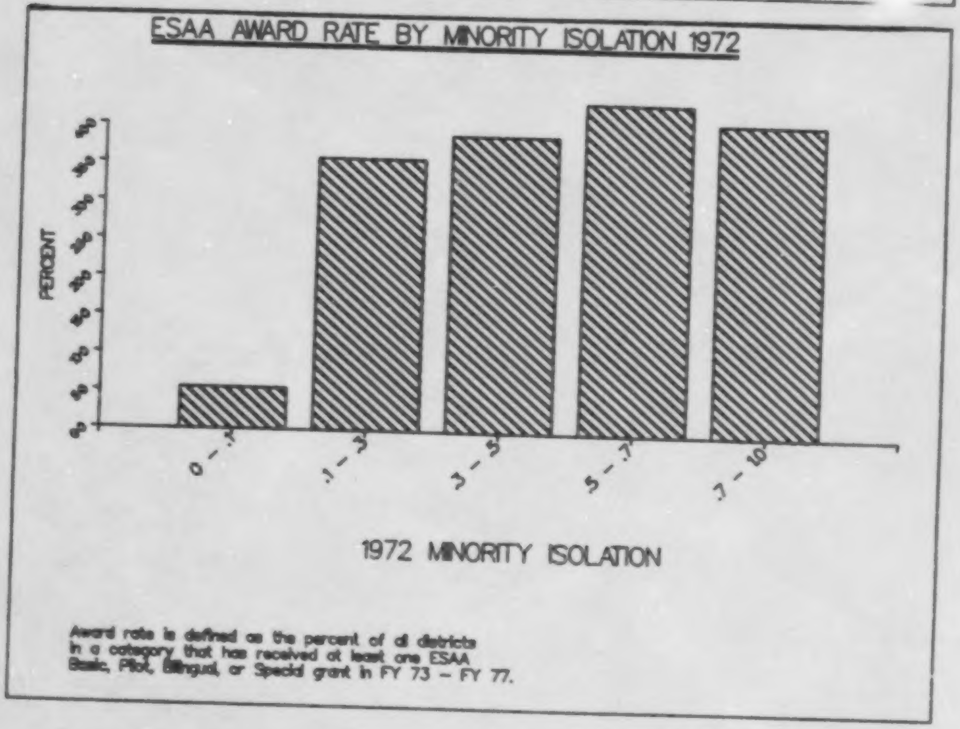
The average 1972 minority isolation for grant recipients was 0.24, and for non-recipients, 0.041. The average 1972 racial imbalance was 0.12 for recipients and 0.026 for non-recipients. In other words, the districts that received at least one ESAA grant in FY 73 - FY 77 had on the average greater racial imbalance and minority isolation in 1972 than the other districts surveyed by OCR. This subset of grant recipients with pre-74 required plans also had greater minority isolation and racial imbalance in 1968, 1972 and 1974.[28]

The implication is that ESAA grants have been focused to districts with moderate to high minority isolation and racial imbalance.

FIGURE 2.10

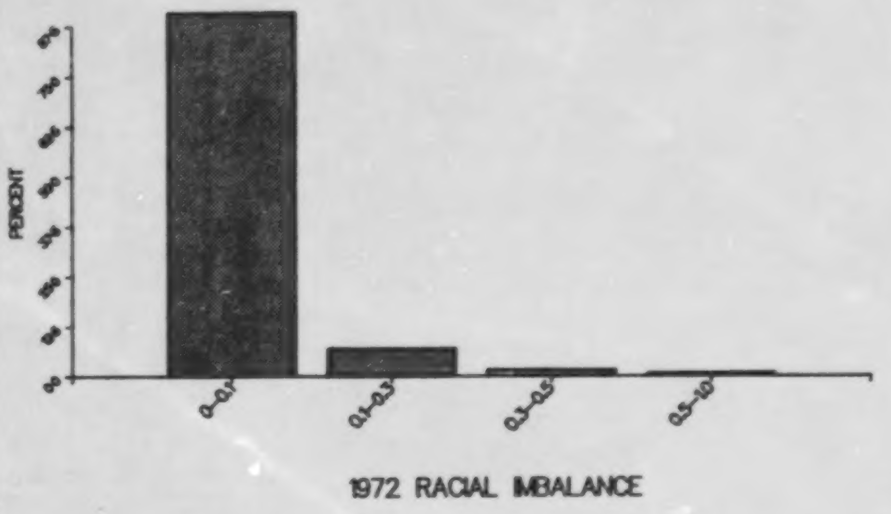


N=7026

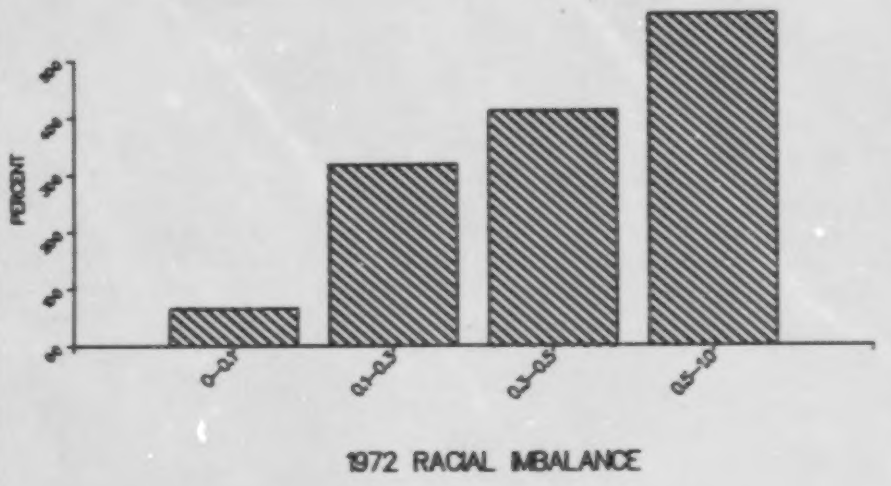


Award rate is defined as the percent of all districts
in a category that has received at least one ESAA
Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

FIGURE 2.11


PERCENT OF DISTRICTS BY RACIAL IMBALANCE 1972

N=7026


ESAA AWARD RATE BY RACIAL IMBALANCE 1972

Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

Percent Minority Enrollment

Except as an eligibility criterion for Pilot grants, the Act does not specify percent minority enrollment as an application criterion. It is one of the four stat score components established by the Regulations, however. Since percent minority enrollment correlates highly with minority group isolation (Pearson's $r = 0.82$),[29] it may serve in the application rating as a surrogate measure of minority isolation. Only in cases where racial imbalance is large are there likely to be discrepancies between minority isolation and percent minority enrollment.

Figure 2.12 demonstrates that ESAA grants have been focused to school districts with over 30 percent minority enrollment as compared to those with under 10 percent minority enrollment. Thirty-nine percent of those over 30 percent minority received at least one subsequent ESAA grant in FY 73 through FY 77. The award rate was considerably less, only 2.2 percent, for the districts that had enrollments under 10 percent minority. The relative focusing is greater for LEAs subject to pre-1974 court or HEW orders; 60 percent of the districts over 30 percent minority received an ESAA grant.

On the average, minority pupils comprised 43 percent of the enrollments of the LEAs that received at least one ESAA Basic, Pilot, Bilingual or Special grant. In FY 77, districts that were over 30 percent minority constituted 75 percent of the Basic grant recipients (see Figure 2.13).

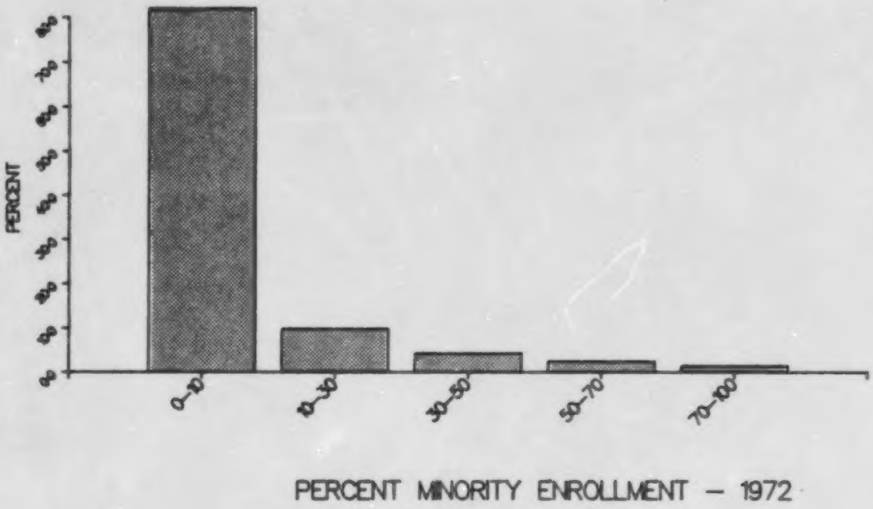
Minority Enrollment

Minority enrollment is also not an application criterion that is specified in the Act except as an additional eligibility criterion for Pilot grants. Like percent minority enrollment, minority enrollment is one of the four stat score components. Figure 2.14 indicates that ESAA grants have been very highly focused to school districts with high minority enrollments. Only eight districts out of 48 with over 25,000 minority pupils have not received at least one ESAA grant. They are: Los Angeles; Oakland; Chicago; Gary Indiana; Baltimore; Cincinnati; Columbus, Ohio; and Ysleta, Texas. (See the next subsection and Table 2.1 for a discussion of these districts).

ESAA recipients were found to have had on the average 17,000 minority pupils, while the average for non-recipients was 600.

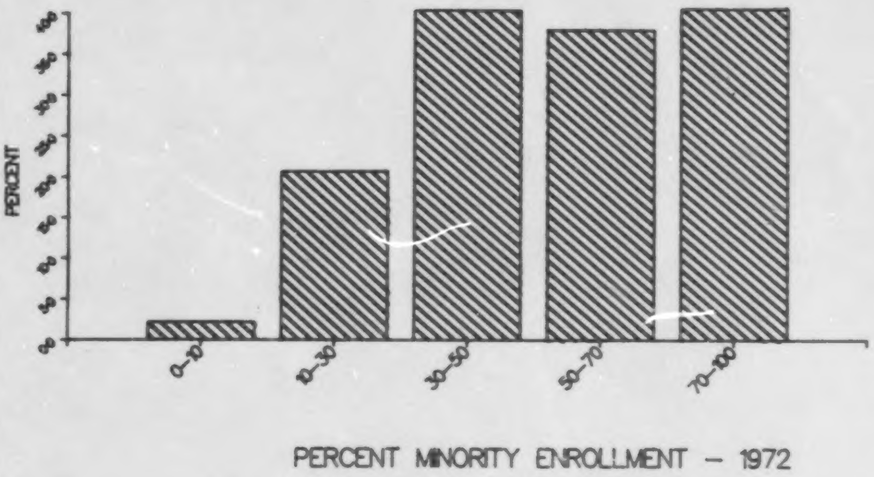
FIGURE 2.12

PERCENT OF DISTRICTS BY PERCENT MINORITY ENROLLMENT



N=7026

ESAA AWARD RATE BY PERCENT MINORITY ENROLLMENT



Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual or Special grant in FY 73 – FY 77.

FIGURE 2.13

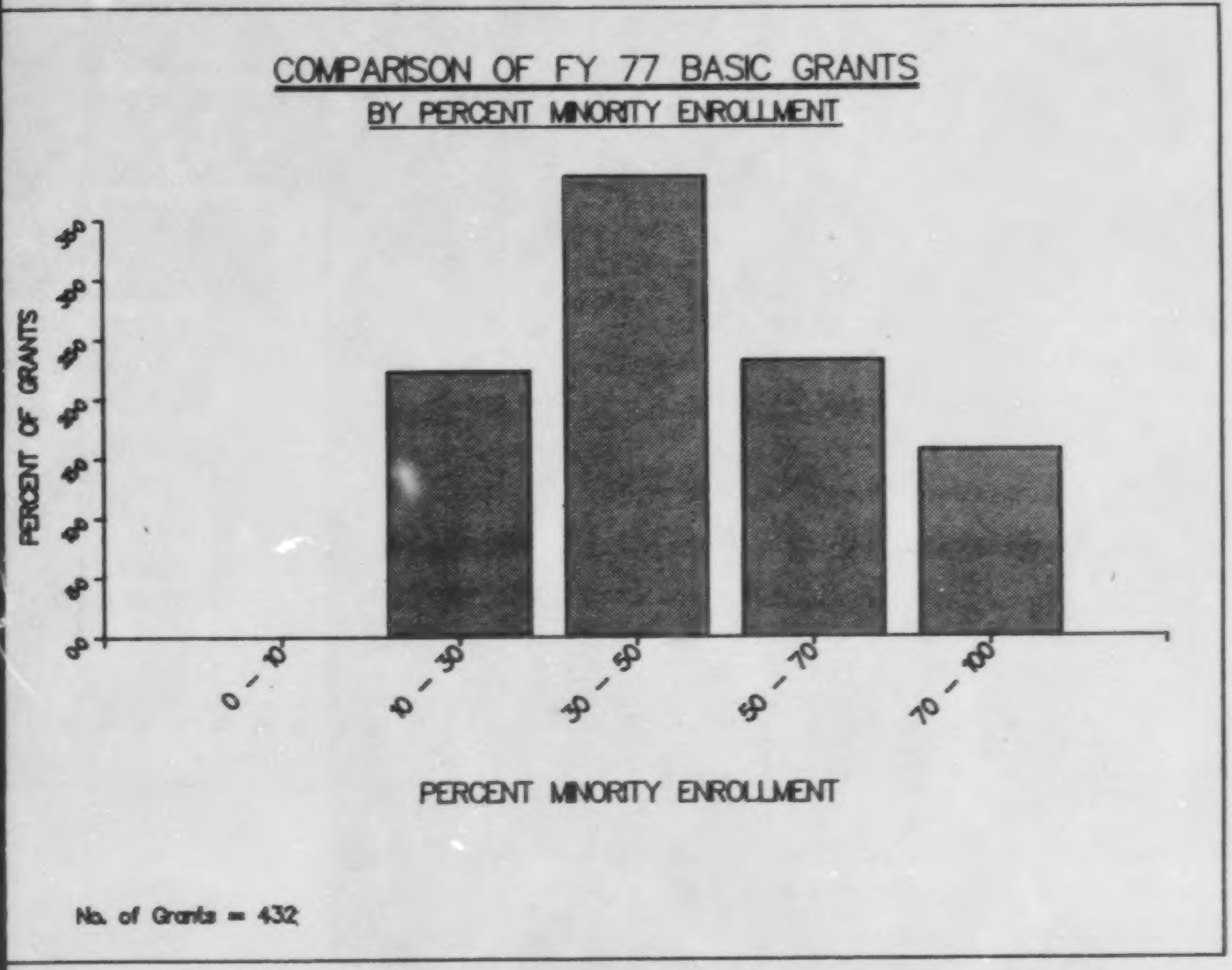
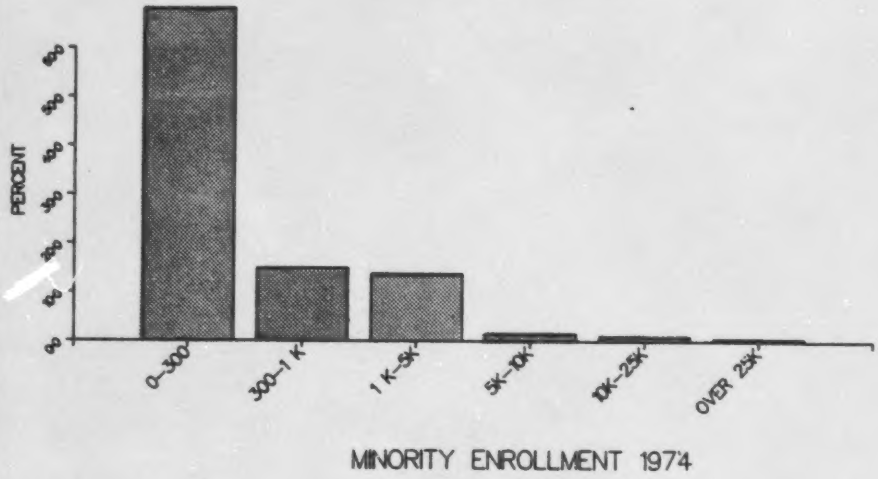

COMPARISON OF FY 77 BASIC GRANTS
BY PERCENT MINORITY ENROLLMENT
PERCENT OF GRANTS
0 – 10
10 – 30
30 – 50
50 – 70
70 – 100
PERCENT MINORITY ENROLLMENT
No. of Grants = 432

FIGURE 2.14

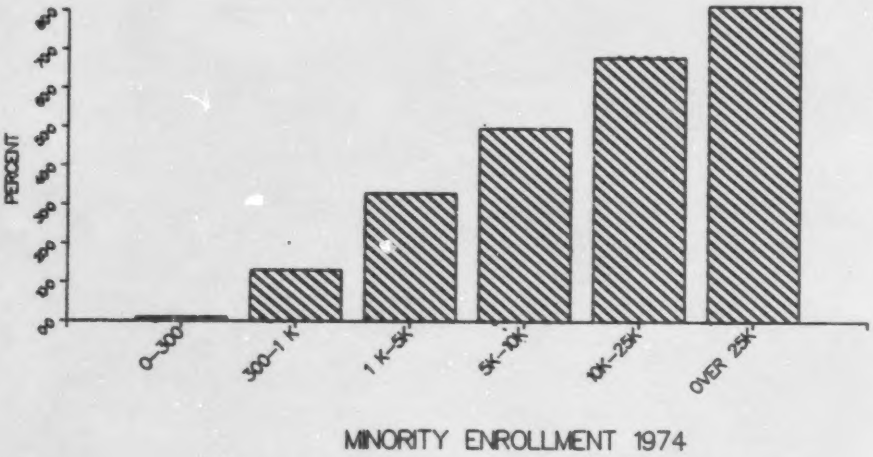
PERCENT OF DISTRICTS BY MINORITY ENROLLMENT



N = 7852

1 K=1000 Students.

ESAA AWARD RATE BY MINORITY ENROLLMENT



Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 - FY 77.
1 K=1000 Students.

Percent Minority/Total Minority Enrollment

The minority proportion of enrollment is given equal weighting with the number of minority pupils in the ESAA application score. Using 1972 OCR data, we examined the award rate to LEAs with different values for the combined scores for percent minority and minority enrollment to determine if ESAA grants are targeted to districts with high relative needs according to these two measures.

Figure 2.15 shows that ESAA grants have been highly focused to districts with high relative need as measured by the combined score for the number and percent minority enrollment. The proportion of surveyed districts that have received at least one ESAA grant exceeds 70 percent for districts with scores over 20 points. To put this in perspective, for a district to achieve the maximum 30 points, it must have over 30 percent minority students and 50,000 or more minority students. Twenty points may be achieved by a district that has, at one extreme, over 10,000 minority pupils and an enrollment that is at least 43 percent minority, or, at the other extreme, over 50,000 minority pupils and a total enrollment that is at least 30 percent minority. The median number of points for recipients is 14, and 2 for non-recipients. This reflects the large number of districts with a low proportion of minority enrollment.

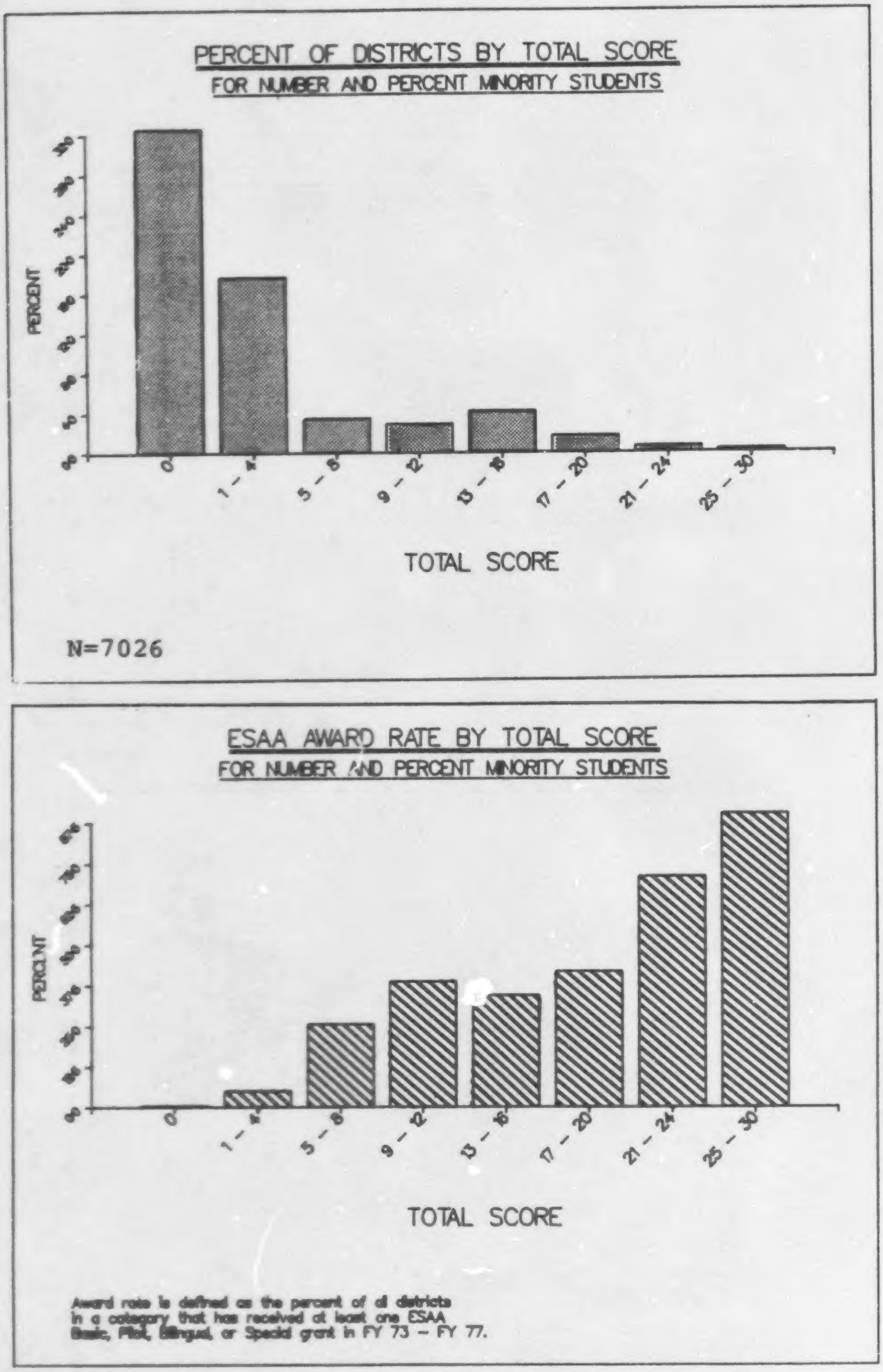
For districts known to have been subject to a court or agency order, and therefore potentially eligible for an ESAA grant, the relative award rates are equally distinctive (see Figure 2.16). Of the 55 LEAs that would have received a combined score over 20 points, 87 percent received a subsequent ESAA grant in FY 73 - FY 77. The award rates then decrease with decreasing score.

Given the relatively high award rates for districts with high number and percent minority pupils, a further investigation was made using the statistical procedure called discriminant analysis to determine if grant recipients and non-recipients could be distinguished on the basis of the combined score and other variables.[30] Among the other variables investigated were change in minority isolation and change in racial imbalance between 1968 and 1972, minority and racial imbalance in 1972, percent minority enrollment, total minority enrollment, and percent poverty (see discussion below). Two samples of LEAs were investigated: (1) all LEAs in the database with 1972 OCR data, and (2) all LEAs with required plans according to OCR survey data. In calculations for both samples, the combined score for number and percent minority was the most significant predictor of whether an LEA received at least one ESAA grant in the period FY 73 to FY 77.

While the combined score is the most distinguishing characteristic of grant recipients, it is less correlated with minority isolation, the criterion suggested in the Act, than percent minority alone (Pearson's r = 0.29 as compared to 0.82).

Since the award rate for districts with over 20 points is relatively high, of interest are the relatively few districts in this group that did not receive a grant. Is there any characteristic common to them? There are 32 districts which had they been eligible and applied for a grant would have received at least 20 points out of the maximum of 30 for these score components. These districts are listed in Table 2.1 in order of decreasing minority group isolation (1972 data). Aside from their minority enrollment characteristics, the most common characteristic is that districts have been subject to a Federal or state order to desegregate or subject to continuing investigations. Several, like Chicago, Baltimore and Los Angeles, applied for FY 77 ESAA grants but were declared ineligible for ESAA assistance as a result of civil rights compliance problems. Albuquerque received a grant 1 year, but it was returned by its school board. Others appear not to have applied for a grant because of a lack of an eligible plan.

FIGURE 2.15



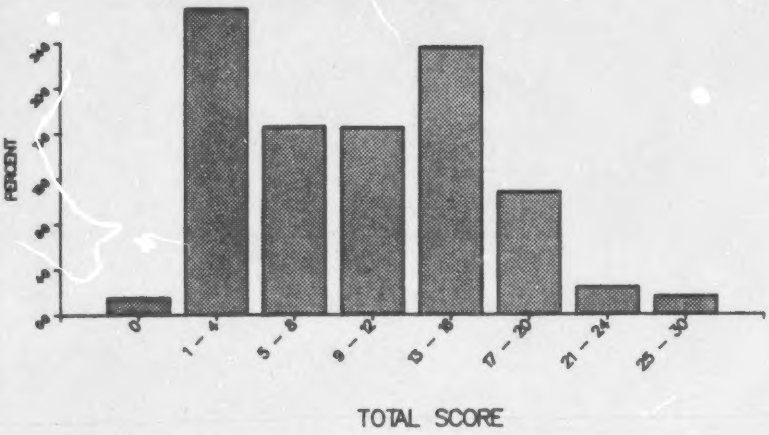
PERCENT OF DISTRICTS BY TOTAL SCORE
FOR NUMBER AND PERCENT MINORITY STUDENTS

N=7026

ESAA AWARD RATE BY TOTAL SCORE
FOR NUMBER AND PERCENT MINORITY STUDENTS

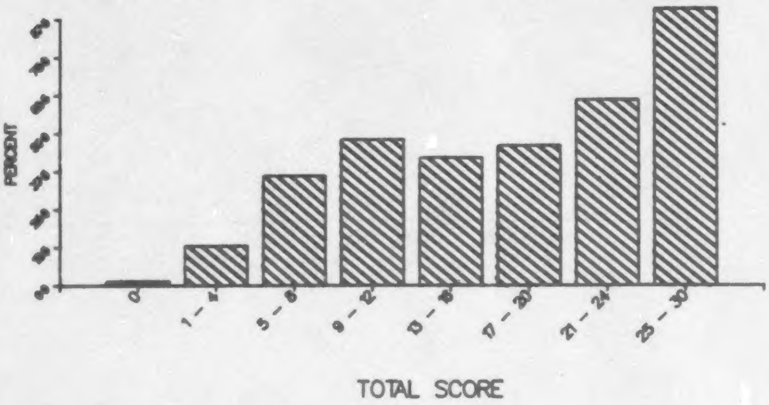
Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

FIGURE 2.16



PERCENT OF DISTRICTS WITH REQUIRED PLANS BY TOTAL SCORE
FOR NUMBER AND PERCENT MINORITY STUDENTS

N=7026



AWARD RATE FOR DISTRICTS WITH REQUIRED PLANS BY TOTAL SCORE
FOR NUMBER AND PERCENT MINORITY STUDENTS

Award rate is defined as the percent of all districts
in a category that has received at least one ESAA
Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

80

TABLE 2.1

SCHOOL DISTRICTS THAT HAVE NOT RECEIVED AN ESAA GRANT BUT HAVE HIGH RELATIVE NEED FOR ASSISTANCE ACCORDING TO MINORITY ENROLLMENT MEASURES

LEA Name	1972 Minority Group Isolation	1972 Percent Minority	1972 Enrollment	Combined Score	1972 Racial Imbalance
Gary, IN	0.917	78	44,830	28	0.689
Laredo, TX	0.917	93	18,982	26	0.059
E. St. Louis, IL*	0.904	88	23,148	27	0.531
Baltimore, MD**	0.859	69	186,600	29	0.694
Chicago, IL**	0.852	69	557,141	29	0.686
San Benito, TX	0.821	87	5,905	21	0.158
Halifax, NC	0.814	87	8,734	23	0.138
Camden, NJ*	0.799	78	20,927	26	0.403
Trenton, NJ*	0.783	78	17,246	25	0.364
Robeson Cnty, NC*	0.770	80	13,042	24	0.263
Oakland, CA	0.750	75	65,505	29	0.361
Atlantic City, NJ*	0.704	74	8,831	21	0.357
Gallup, NM	0.697	79	12,874	25	0.181
E. Chicago, IN*	0.696	77	9,575	23	0.211
Los Angeles, CA**	0.689	53	620,707	27	0.560
Ysleta, TX	0.684	67	36,736	26	0.376
Paterson, NJ*	0.670	73	27,548	26	0.285
Gadsden, FL*	0.668	78	10,025	22	0.144
Benton Harbor, MI**	0.657	62	10,911	21	0.431
Saginaw, MI*	0.650	46	23,478	22	0.593
Cincinnati, OH	0.635	48	77,880	25	0.572
Youngstown, OH	0.625	49	24,114	22	0.551
El Rancho, CA	0.548	73	13,563	24	0.055
Mt. Vernon, NY**	0.536	64	11,838	21	0.260
Flint, MI*	0.530	47	46,115	24	0.443
Elizabeth, NJ*	0.455	55	15,783	21	0.268
Montebello, CA	0.452	63	24,564	24	0.146
Albuquerque, NM	0.363	42	86,650	23	0.297
Las Cruces, NM	0.323	55	15,802	21	0.158
Richmond, CA*	0.292	40	39,968	21	0.277
Portsmouth, VA*	0.282	57	24,464	22	0.078
Alhambra, CA	0.088	45	17,828	21	0.051

---

*District has been subject to a court or agency investigation or order.

**District has applied for a FY 77 grant and did not receive compliance eligibility.

Other Measures of Relative Need

We also investigated the rate at which districts with several other characteristics received ESAA grants. The first characteristic is the recency of plan implementation. Recency is explicitly ruled out in the Regulations (but not the Act) as a consideration in the eligibility of ESAA applicants.[31] It is included here as a measure of relative need for ESAA services: the more recently a plan has been implemented, the more likely the assistance will be "related and necessary to plan implementation."[32] The other characteristics are not explicitly identified in the Act or Regulations as relevant criteria, but they are commonly associated with LEA financial need. They also help to describe the districts that have received ESAA grants. The characteristics are: poverty rate; enrollment; urban status; and continued need for assistance as measured by the number of years that an ESAA grant has been received.

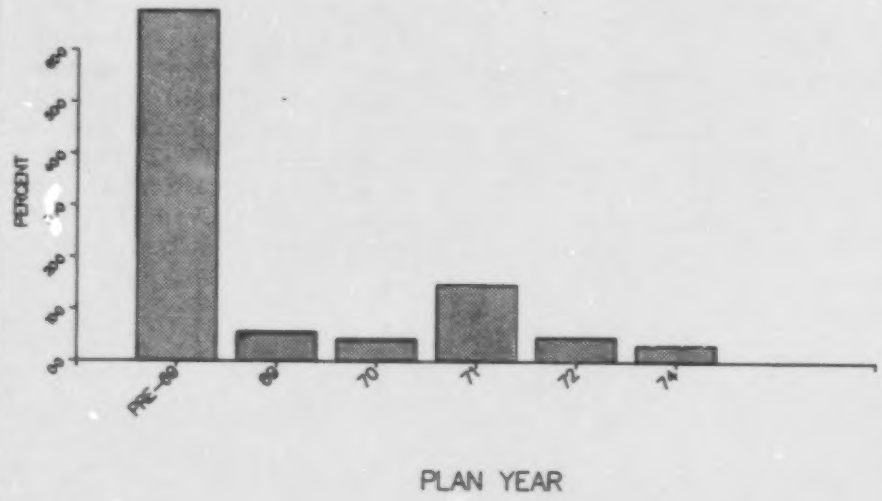
Recency

Since the OCR survey data provide, in addition to information on the racial/ethnic characteristics of LEA enrollments, indicators of whether an LEA was subject to a court or agency order in the years 1968 through 1974, these data enabled an examination of the relative rates at which districts that implemented a required plan in these years received a subsequent ESAA grant. Figure 2.17 (bottom) demonstrates that ESAA grants have not been focused to districts with more recent court or DHEW orders. The award rate for these surveyed districts is approximately constant.

Figure 2.17 (top) also illustrates that the great majority of school districts that have ever implemented an eligible plan initiated implementation over 5 years ago. Since recency is also not a consideration in the scoring of ESAA applications, the recency of plans implemented by the grant recipient population does not differ from that of the general population of school districts. Of FY 77 Basic grant recipients, 70 percent implemented a plan prior to 1973. Only 6 percent implemented a plan in the last 2 years.

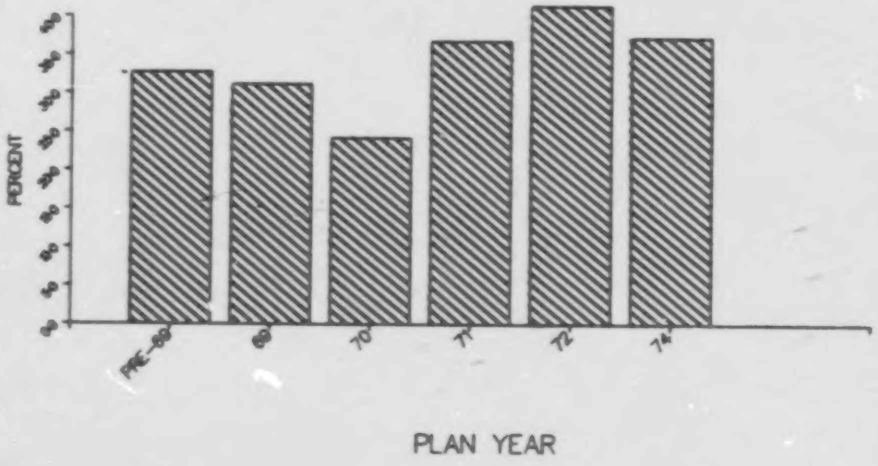
FIGURE 2.17

PERCENT OF DISTRICTS WITH REQUIRED PLANS BY PLAN YEAR



No plan year data were available for 1973.
N = 1349

AWARD RATE FOR DISTRICTS WITH REQUIRED PLANS BY PLAN YEAR



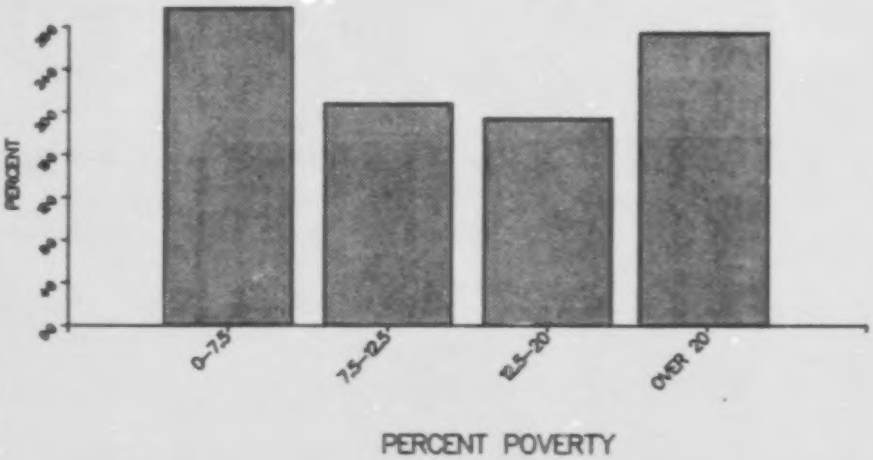
No plan year data were available for 1973.
Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

Poverty Rate

The poverty rate is related to the percent of the district's pupils who are considered economically disadvantaged. In Title I (ESEA), it is assumed that this puts an added financial burden on LEAs. Figure 2.18 illustrates that the award rate increases with increasing poverty rates. Thus, ESAA grants were focused on districts with high poverty rates.

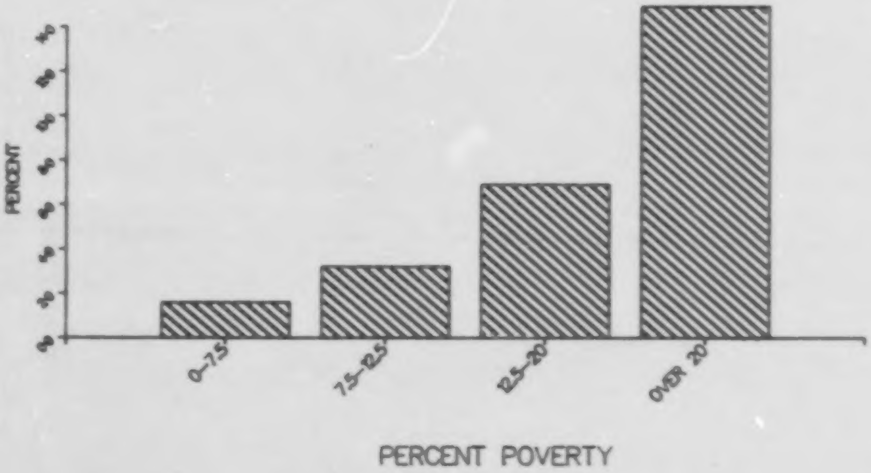
According to the 1970 Census data, approximately 25 percent of the nation's districts have poverty rates exceeding 20 percent. Notably, over 50 percent of the LEAs that have ever received an ESAA grant had poverty rates over 20 percent. The average poverty rate for ESAA districts was 28.5 and for non-recipients, 15.2 percent. The distribution of FY 77 Basic grant recipients follows the pattern found above. (See Figure 2.19). Fifty-five percent of the Basic grantees have poverty rates over 20 percent.

FIGURE 2.18


PERCENT OF DISTRICTS BY PERCENT POVERTY

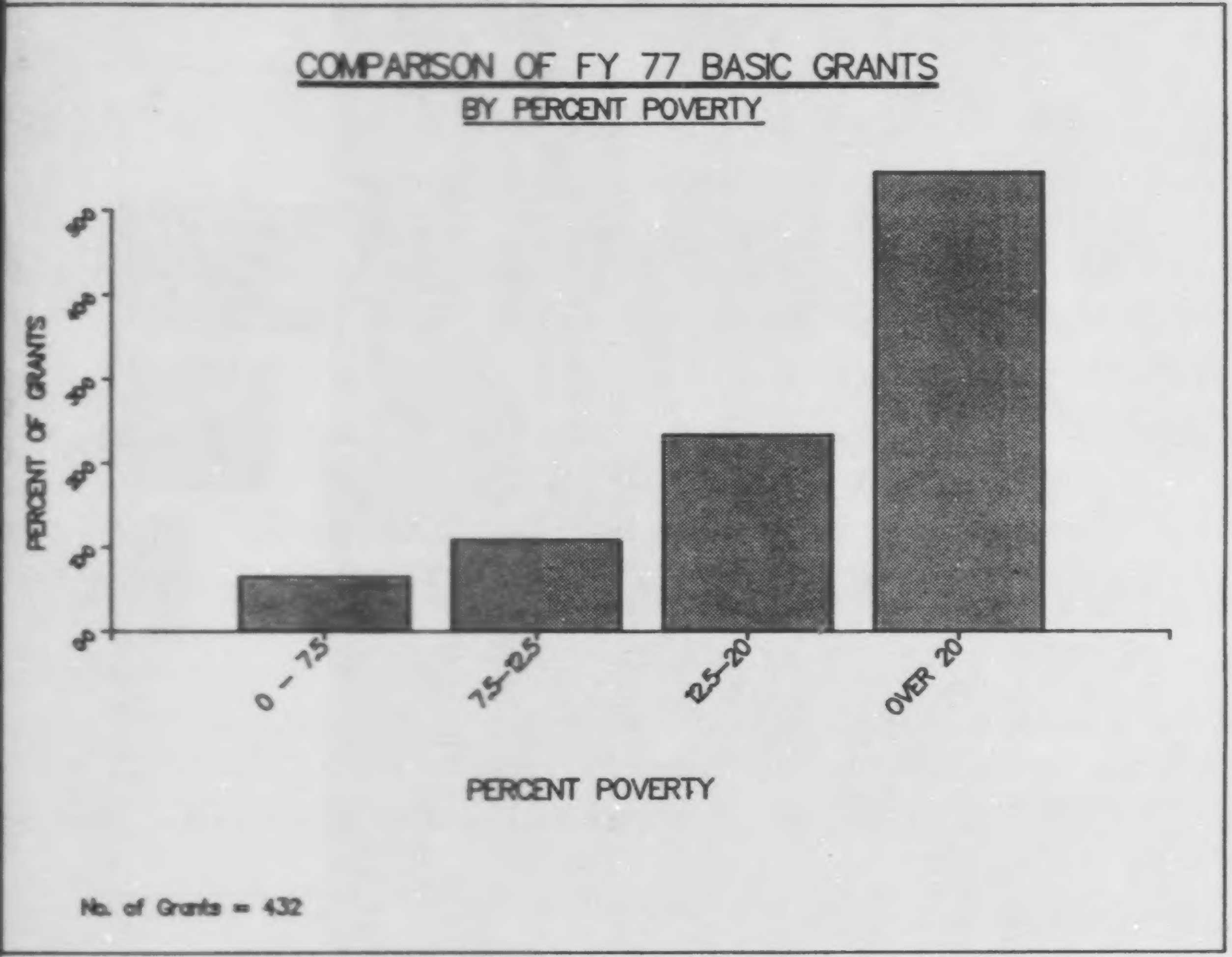
N=11929

Percent poverty is defined as the number of children aged 5–17 in families with incomes below the poverty level as a percent of all children 5–17 in the school district.


ESAA AWARD RATE BY PERCENT POVERTY

Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

FIGURE 2.19


COMPARISON OF FY 77 BASIC GRANTS
BY PERCENT POVERTY
PERCENT OF GRANTS
0 – 7.5
7.5–12.5
12.5–20
OVER 20
PERCENT POVERTY
No. of Grants = 432

Enrollment and Urban Status

High enrollment and urban status often are associated with areas of high educational cost. Thus, they may serve as indirect measures of LEA financial need.

As Figure 2.20 shows, award rates increase rapidly with increasing enrollment. Thus, ESAA grants have been highly focused to districts with high enrollments. Over half the districts with greater than 25,000 pupils have received at least one ESAA grant in the period FY 73 to FY 77.

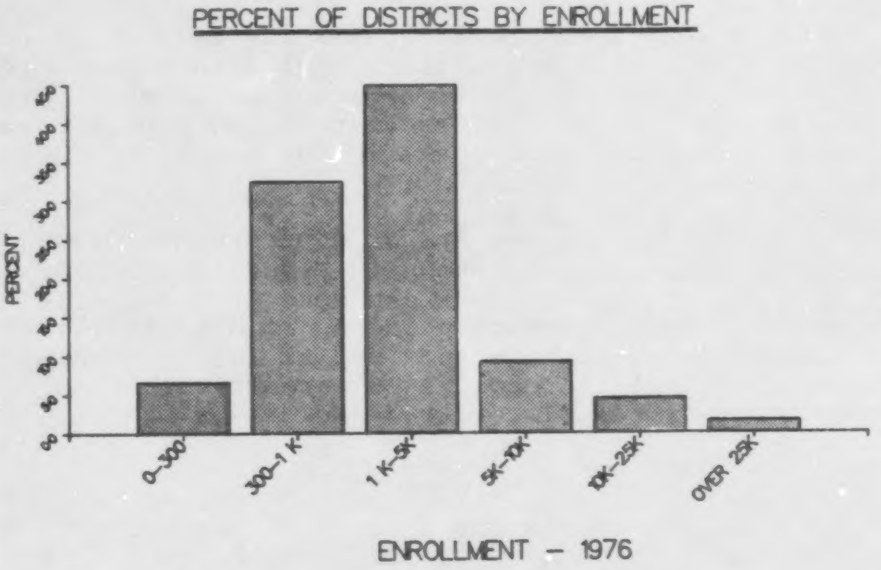
Rural districts far out number suburban and urban districts in the nation as shown in Figure 2.21. The award rate for urban districts was more than twice as great as the rate for suburban and rural districts. Of the 872 districts that have received at least one ESAA grant, urban districts comprise 36 percent, suburban 22 percent, and rural districts 34 percent.

Continued Need for Assistance

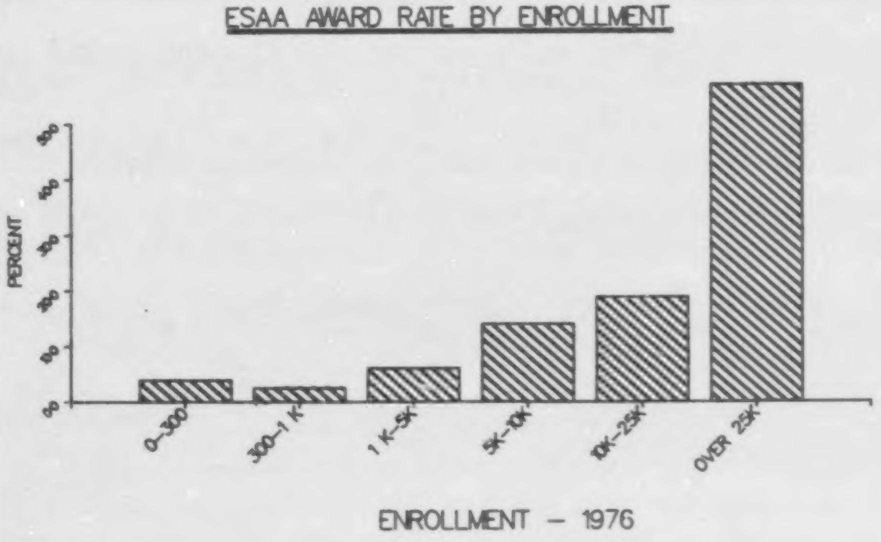
While ESAA grants are for a one-year period, most ESAA grant recipients received their first ESAA grant in FY 73 and have received a grant every year since. In FY 77, 60 percent of all ESAA grants were received by districts that received their first grant in FY 73 (see Figure 2.22). Similarly, 58 percent of the 568 LEAs that received any type of FY 77 ESAA grant, received their first grant in FY 73.

Only in the north and west are significant proportions of districts receiving grants for the first time (see Figure 2.23). Over 40 percent of FY 77 ESAA grant recipients have also received a grant in each of the four previous years of the program. (See Figure 2.24).

FIGURE 2.20

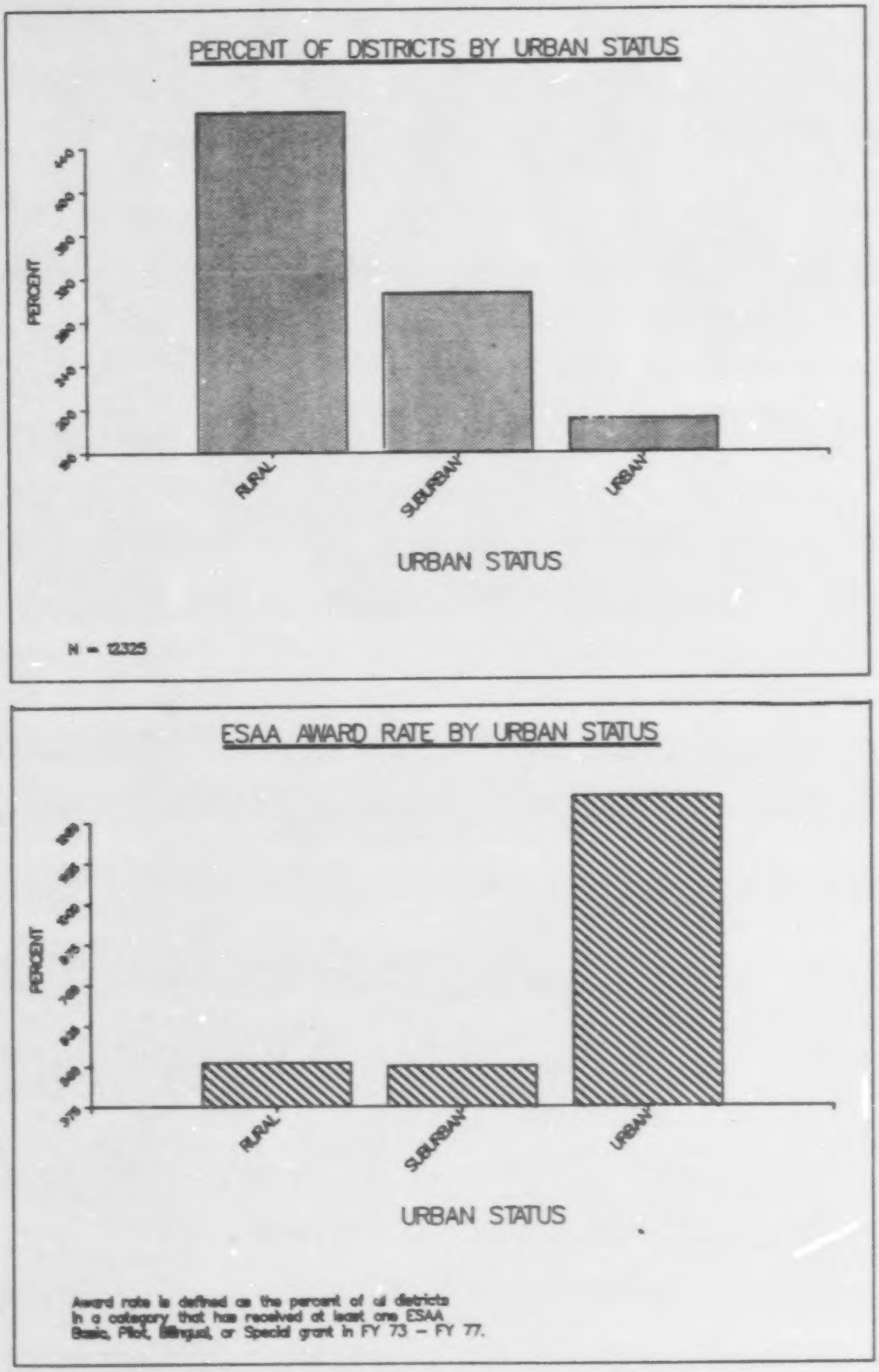


1 K = 1000 Students
N = 12325



1 K = 1000 Students
Award rate is defined as the percent of all districts
in a category that has received at least one ESAA
Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

FIGURE 2.21

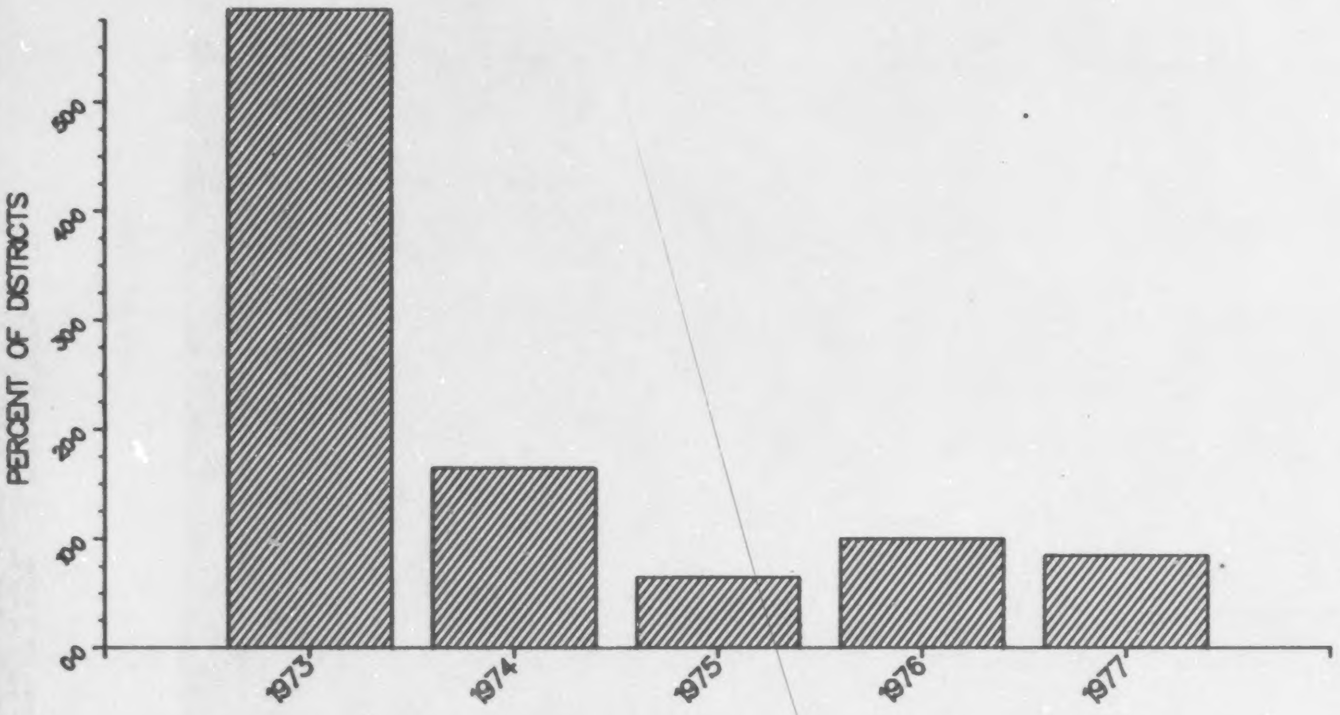


N = 12325

Award rate is defined as the percent of all districts in a category that has received at least one ESAA Basic, Pilot, Bilingual, or Special grant in FY 73 – FY 77.

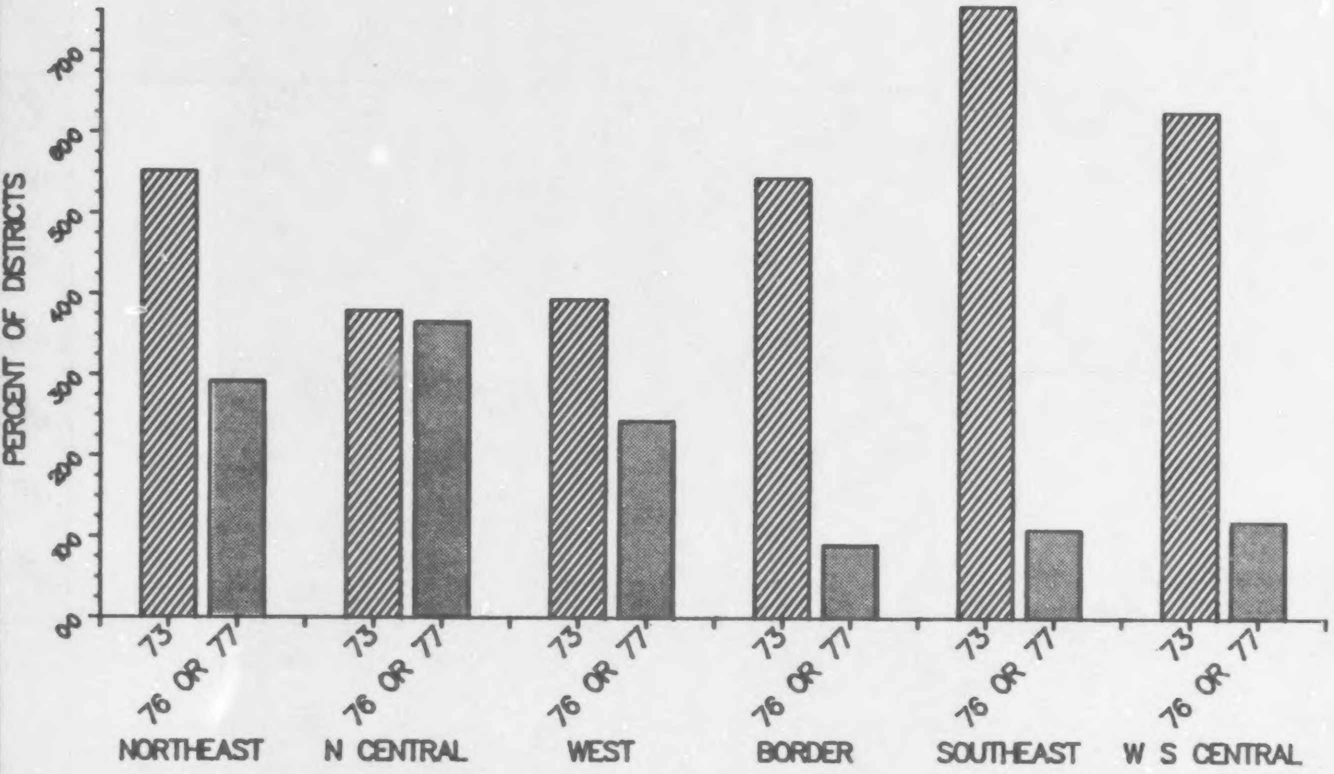
FIGURE 2.22

YEAR FIRST ESAA GRANT WAS RECEIVED BY FY 77 ESAA DISTRICTS



N=566

FIGURE 2.23

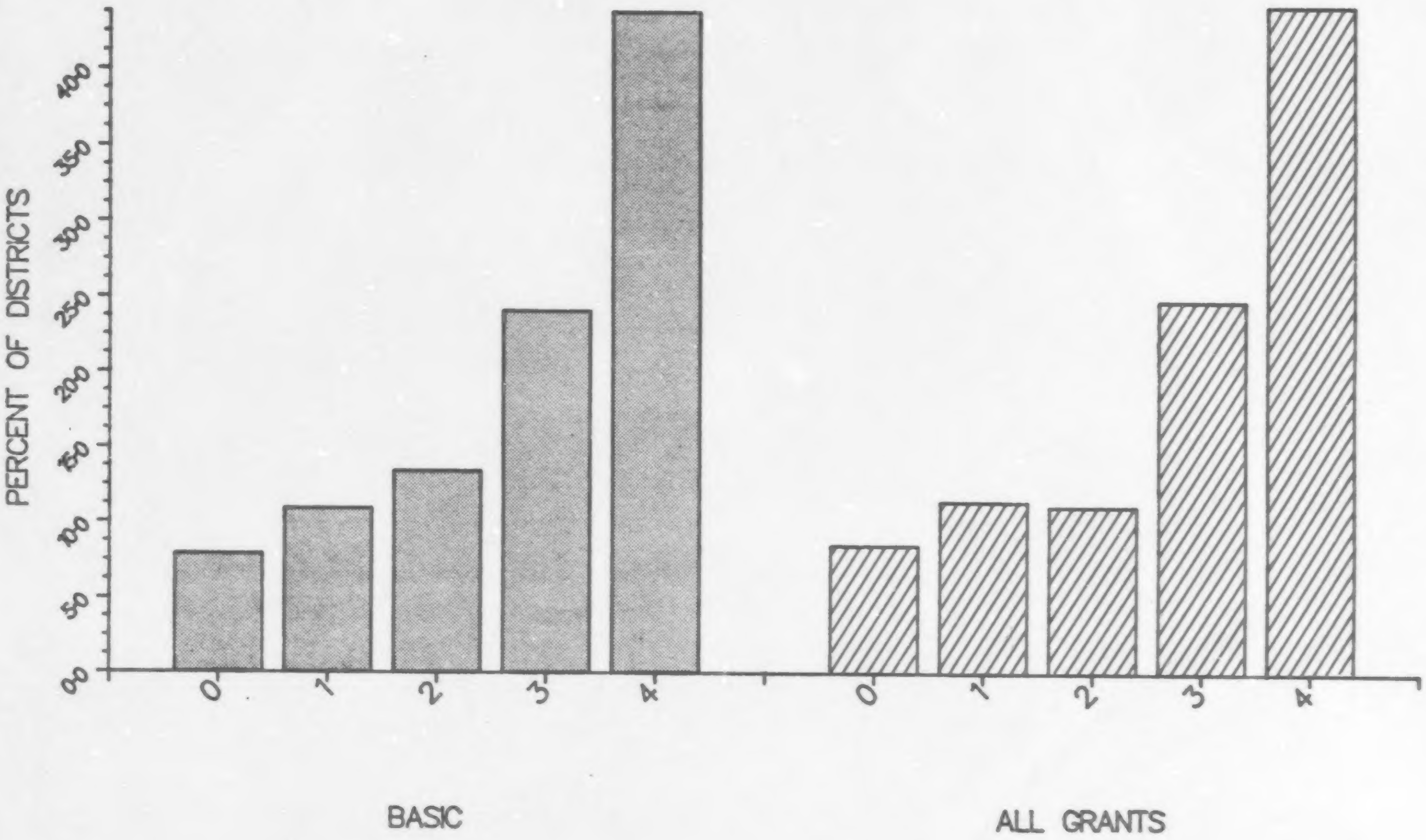


REGIONAL VARIATION IN THE YEAR FY 77 ESAA DISTRICTS
RECEIVED THEIR FIRST ESAA GRANT

N=566

FIGURE 2.24

NUMBER OF PREVIOUS YEARS FY 77 ESAA DISTRICTS HAVE RECEIVED A GRANT



Basic Grants=432
All Grants=566

II.C. Summary and Conclusions

The Act and Regulations specify criteria which in effect identify the characteristics of intended ESAA grant recipients. The criteria can be grouped into five categories:

1. threshold eligibility criteria - an LEA must be implementing an acceptable plan and, in the case of Pilot grants, have minimum minority enrollment characteristics;
2. compliance eligibility criteria - an LEA must not be engaged in discriminatory practices;
3. selection criteria related to high plan impact - an LEA is preferred if its plan substantially decreases minority isolation district-wide;
4. selection criteria based on relative need for assistance - an LEA is preferred if it has a high need for assistance as defined by several measures; and
5. selection criteria based on quality of proposed project - an LEA is preferred if the proposed project receives a high quality score rating.

Whether ESAA grants are targeted to school districts fulfilling these general requirements depends on whether ESAA program operations as specified in the Act, Regulations and Administrative guidelines are fashioned to achieve this goal. In this chapter, we have treated the program operations relevant to targeting as a complex filter whose design specifications are known, but whose inner workings are not yet fully understood. The effects of this filter have been examined as a step to understanding whether it is operating according to its design and whether there are areas for improvement.

The extent to which school districts with the intended characteristics and other need-related characteristics have received at least one Basic, Pilot, Bilingual or Special grant from FY 73, the first year of the ESAA program, to FY 77 has been compared to districts without these characteristics.

We have found that:

- While Congress declared in the Act that "the process of eliminating or preventing minority group isolation and improving the quality of education for all children often involves the expenditure of additional funds", only 40 percent of those districts that are known to have substantially decreased minority group isolation or racial imbalance have ever received an ESAA grant. The over 300 districts with known high reductions in minority isolation that have never received an ESAA grant are all located in border states and the south and were subject to court or agency orders in the period 1968 through 1974. Few appear to have applied for ESAA grants.

  More than 40 percent of the FY 77 Basic grant recipients with non-required plans (14 percent of all recipients) do not eliminate, reduce or prevent minority group isolation to any degree according to the rating specified by the Regulations. Since nearly all recipients in the south have implemented required plans, but only one-third in the north and west, plan impact is also highly dependent on region. More than 35 percent of FY 77 Basic grant recipients in the north and west have achieved no net reduction in minority isolation.

- The award rate, or rate at which districts "pass through the filter" and receive a grant, is highest for districts with high minority enrollment or a combined high proportion and high number of minority students.

  Almost 70 percent of the districts that have over 10,000 minority pupils and at least 43 percent minority enrollment, or over 50,000 minority pupils and at least 30 percent minority enrollment have received at least one ESAA grant. The award rate for LEAs with over 25,000 minority students was over 80 percent.

LEAs that have received at least one ESAA grant between FY 73 and FY 77 are most distinguishable from non-recipients on the combined basis of high number and percent minority pupils.

- Although the award rate was less for other measures of plan impact and need, the ESAA program operations filter was fairly selective. Districts that had high plan impact as measured by a high reduction in minority isolation or racial imbalance (1968-1972) received grants at higher rates than those with little change. Similarly, districts with high percent minority, racial imbalance (1972), or minority isolation (1972) received ESAA grants at a higher rate than districts with low minority isolation, racial imbalance or percent minority enrollment. Minority isolation and percent minority enrollment are highly correlated.

- The award rate for districts known to be subject to a court or agency order in the period 1968-1974 is relatively constant by year. Thus, ESAA grants have not been focused to more recently desegregating districts. Districts that implemented plans prior to 1973 received 70 percent of the FY 77 ESAA Basic grants. In addition, 60 percent of the FY 77 Basic grantees have received a grant every year since 1973 indicating that Basic grants have not been focused on districts with more recent "emergency" needs.

The results lead to the conclusion that the "filter", that is, ESAA program operations specified by the Act, Regulations and guidelines, primarily selects districts for grants on the basis of the need for assistance as measured by the proportion and number of minority students in the district. Targeting is also more a function of other measures of need than measures of plan impact. This is particularly true in the north and west where non-required plans predominate.

FOOTNOTES

1. P.L. 92-318, Sec. 702(a).

2. P.L. 92-318, Sec. 706(a). The Act and Regulations distinguish between a desegregation plan, i.e., a plan to remedy illegal segregation, and a plan to voluntarily reduce minority isolation. In common usage, both are called desegregation plans. In this report, we use the word "plan" to refer to both required and non-required plans.

3. P.L. 92-318, Sec. 710(a)(7).

4. P.L. 92-318, Sec. 706(b).

5. P.L. 92-318, Sec. 702(a), 45 CFR 185.11(a).

6. P.L. 92-318, Sec. 702(a), 45 CFR 185.11(b).

7. Evidence that a plan has been adopted or implemented, or will be adopted or implemented if assistance is made available, includes: 1) a school board resolution or "other evidence of final official action adopting and implementing such plan...;" 2) public notice of intent to implement plan, if it will be implemented upon award of assistance. 45 CFR 185.11(c)(2).

8. 45 CFR 185.11(b)(3).

9. P.L. 92-318, Sec. 706(a), 45 CFR 185.11.

10. P.L. 92-318, Sec. 707(a) as amended (1976).

11. 45 CFR 185.11(c).

12. P.L. 92-318, Sec. 706(d)(1) 185.13(e).

13. P.L. 92-318, Sec. 710(c)(2).

14. P.L. 92-318, Sec. 710(c)(3).

15. P.L. 92-318, Sec. 710(c)(6).

16. P.L. 92-318, Sec. 710(c)(4).

17. P.L. 92-318, Sec. 710(c)(1).

18. P.L. 92-318, Sec. 705(a)(1).

19. P.L. 92-318, 45 CFR 185.14(a).

20. P.L. 92-318, 45 CFR 185.14(b).

21. P.L. 92-318, 45 CFR 185.14(b)(1).

22. Probability is used here to denote strictly the numerical probability, not the likelihood that they will interact placed in the same school.

23. James S. Coleman, Sara D. Kelly, and John A. Moore, "Trends in School Segregation 1968-73 (Washington, D.C., The Urban Institute, 1975); U.S. Commission on Civil Rights, "Fulfilling the Letter and Spirit of the Law," (Washington, D.C., 1976).

24. The minority isolation index is defined as

$$I = 1 - [(1/N)\ \Sigma\ n_i w_i]$$

where N is the total number of minority students in the district, n_i is the number of minority students in the ith school of the district, and w_i is a weighting factor depending on the fraction of ith school's pupils which are minority children. For fractions less than 0.5 (50 percent minority), the weight, w_i, is 1.0. It decreases in steps of 0.1 for every 0.05 (5 percent) increase in minority enrollment until it is zero when minority students constitute 95 percent of a school's enrollment. The corresponding quantity in the stat score measure differs in two ways: first, the sum is only over schools affected by the plan; and second, it includes only the last term.

25. As shown later, about 15 percent of the 432 FY 77 Basic grant recipients and about 33 percent of the 121 Special grant recipients implemented a plan after 1973.

26. John E. Coulson *et al.*, *The Second Year of Emergency School Aid Act (FSAA) Implementation*. System Development Corporation, Report TM 5236/009/000 (Santa Monica, CA, 1976), p. VIII-6.

27. For low index values (0 to 0.1) the award rate was 27 percent. For medium and high, the rates were 43 percent and 44 percent respectively.

28. For districts subject to court or HEW order (pre-1974):

	Year		
	1968	1972	1974
Average minority isolation			
ESAA grantees.....	0.67	0.24	0.21
Others............	0.53	0.16	0.13
Average racial imbalance			
ESAA grantees.....	0.62	0.12	0.10
Others............	0.50	0.06	0.06
N.................	1,208	1,351	1,346

29. This correlation is for the 7,026 school districts surveyed by OCR in 1972. Correlation for only FY 77 Basic grant recipients using application data is slightly less (0.78).

30. Among the other variables included were change in minority isolation (1968-1972), change in racial imbalance (1968-1972), percent minority enrollment (1972), percent poverty (1970), racial imbalance (1968), minority isolation (1968), total enrollment (1972). The standardized discriminant coefficient for the combined number and percent minority was 1.0; for the next most important variable, change in minority isolation, the coefficient was 0.44. Stepwise Rao's V method was employed.

31. 45 CFR 185.11(c)(1).

32. 45 CFR 185.12(a).

III. THE INFLUENCE OF ESAA PROGRAM OPERATIONS ON THE TARGETING OF ESAA GRANTS

Introduction

In the previous chapter, ESAA program operations were viewed as a selective filter. It was an "input-output" analysis, with little detail on the inner workings of the filter, the ESAA program operations.

The influence of ESAA program operations on the targeting of ESAA grants is the subject of this chapter. We have chosen not to approach this subject by examining each of the findings of the previous chapter one-by-one and seeking the possible causal factors within ESAA program operations. Program operations are complex; there are many overlapping influences. Rather, our approach is to examine one-by-one ESAA program processes related to applications and awards and to analyze whether each is fulfilling its required role in the targeting of grants. Does the process introduce systematic biases? Does it influence which LEAs receive grants?

The first objective of this chapter is then to describe the two main program processes that can influence who receives a grant. These are:

- the pre-application information dissemination and technical assistance provided by EEOP to school districts and other potential applicants; and

- the application review and fund allocation process performed by EEOP and tangentially by DHEW Office for Civil Rights.

The first process can influence which LEAs apply for a grant; the second, initiated with the submittal of an application, can influence which applicants receive a grant.

The second objective of this chapter is to assess whether the specific parts of the process could contribute, or have contributed, to the focusing of grants to districts with the greatest needs and greatest application quality.

These two objectives are addressed in Section III.A for the pre-application process, and Section III.B for the parts of the application review and fund allocation process most likely to affect the targeting of grants.

The third and last objective of this chapter is to summarize the discussion and attempt to relate further the findings of this and the previous chapter. This is contained in Section III.C.

In the analyses presented, we utilize information gathered from interviews with Equal Educational Opportunity Program (EEOP) staff, LEA staff and community members in the 22 case study sites, and information derived from the data base described in the previous chapter.

III.A. Pre-Application Information Dissemination and Technical Assistance

The decision to apply for an ESAA grant is a decision each school district makes for itself. The decision depends on many factors, including the district's perceptions of the purposes of ESAA, of its own eligibility, of its need for assistance, of its abilities and resources to write a proposal and of its chances of receiving a grant once it applies. The role of the pre-application process is to inform potential applicants of the annual grant awards competition and of the rules governing the program, and to assist potential applicants with the technical aspects of the application forms and procedures. Through these actions, the pre-application process may influence a district's perceptions and therefore its decision to apply for an ESAA grant. While the influence on the targeting of grants is not as direct as in the application review process, the potential impact can be great: the ability to target grants in the application review process depends on which LEAs apply.

The pre-application process begins each year with the publication and distribution of the application forms. In FY 78, the application package contained a copy of the Act and ESAA Regulations and a brief summary for each ESAA program category of the number of grants and the average grant award for FY 77. The package was sent to all operating school districts. Previously, an announcement of the closing date of application was inserted in the Federal Register and applications were mailed to LEAs requesting them and to LEAs on the mailing lists of Regional EEOP staff. The change in procedures did not appear to effect a change in the number of applicants.

Approximately 1 to 2 months prior to the application deadline, 1-day information dissemination meetings are organized by EEOP in every DHEW region, and in many individual states within regions. The purpose of the meetings is to describe and clarify the Act, Regulations, guidelines and applications to all LEAs that are represented at the meeting. Prior to FY 78 and the centralization of all EEOP staff in Washington, D.C., program staff had used a variety of methods to notify LEAs of the meetings. They not only contacted many LEAs directly, but also indirectly through contact with the State education agencies and any operating Title IV General Assistance Centers in the area.

The meetings according to the EEOP respondents were "strictly by the book." Respondents indicated that in the last few years, they have been very careful about responding to questions such as which activities would more likely be funded and how much money should be requested. This approach is a product of a situation that occurred in the first year of ESAA. The Secretary, DHEW had directed that in discussions with LEAs, EEOP staff should indicate that remedial reading and mathematics activities should be emphasized in projects. Since these activities are only one of twelve authorized activities, this was criticized by Congress as unofficial rule-making. In the last few years, respondents reported that they emphasized that the authorized activities are specified by the Regulations and that activities should be derived from the LEAs' own plans and needs assessment. Similarly, with respect to questions concerning grant dollars, EEOP staff declined to give districts a rule-of-thumb, but pointed to the grant funds other districts had received in previous years and to the districts' own expenditures per pupil.

The most often asked questions according to EEOP respondents concerned activities and funds, and technical parts of the application. Further assistance was provided on specified technical aspects of the application forms, narrative or budget by EEOP staff to LEAs that requested additional help.

Despite these annual sessions, there still appears to be some confusion in the minds of school district ESAA staff of how grants are awarded and how much money could be requested. Several LEA respondents in the case study sites held the view that their grant award was tied to the status of the award to the major urban area in their state. If the urban area became eligible, or requested more money, the respondents felt they would not receive any funds. The competition was seen solely to be on the basis of enrollment-related variables. Respondents did not appear to understand that if their total scores, based not only on the stat score but on quality as well, ranked their applications higher than that of the urban area, that their districts would be funded first. These views were held by respondents from LEAs that had received ESAA grants for more than 3 years. Given the results of the last chapter concerning the LEAs with high reductions in minority isolation that had required plans but have not received grants, i.e., on the average, they have fewer minority pupils, their perceptions of the impact of the actual process may not be incorrect. The distribution of quality scores and several other factors to be discussed later in this and the next chapter also bolster the reality of this perception.

Overall, however, there appears to be little in the pre-application process which is an active practice or procedure that favors one district over another. From one point of view, this is an appropriate stance for a Federal program.

From another point of view, there is also little in the process that focuses information and assistance to those who may need it the most. For example, there are no policies or procedures which encourage dissemination and assistance to districts who might be eligible but have not applied, nor policies or procedures which focus available technical assistance personnel to districts who are applying for the first time rather than the fifth time. As will be shown later, first time applications receive quality scores which are on the average lower than quality scores for previous grant recipients.

III.B. Application Review and Fund Allocation

The application review and fund allocation process generally consists of three major components:

- determination of applicant eligibility;
- application review and selection for funding; and
- grant fund determination.

These components serve different roles in the targeting of grants and grant funds depending on whether targeting is accomplished by restricting grants to only those applicants with the greatest needs or merit, or by awarding proportionately greater funds to those applicants with the greatest needs or merit.

In this section, the discussion focuses on the targeting of grants, and not funds. How grant funds are determined and whether greater funds are focused to applicants with the greatest needs or merit are discussed in Chapter IV.

To restrict grants to only those with the greatest needs or merit:

- Applicant eligibility requirements may be either minimally restrictive or very restrictive in initially selecting those applicants with demonstrated need.
- If the eligibility requirements are minimally restrictive the competitive selection process must be very selective to restrict grants to those with exceptional needs and merit. If the eligibility requirements have restricted applicants on relative need, the selection process need only be selective on quality.

  If the competitive selection process is used to restrict the grants awarded, the need and quality scores determined by the application rating process must validly and reliably assess the relative need of the applicants and quality of applications.

The discussion begins with an examination of the determination of applicant threshold and compliance eligibility. In Chapter II, the eligibility criteria were discussed as defining the intended grant recipients. In this chapter, the focus is on how the process of determining eligibility may influence targeting.

Subsection III.B.2 then proceeds to the application review and the determination of quality, stat and total scores and how the validity of these scores affects the targeting of grants. This discussion on the validity of scores is also relevant to the targeting of grant funds. Among the areas examined are the validity of the relative weighting of components in the scores, the point score distributions, and the choice of components.

This section ends with a discussion in Subsection III.B.3 of how the competitive selection process affects the targeting of grants. The within-state competition for grants is one of the processes investigated here.

III.B.1. Determination of Applicant Eligibility

As just indicated, eligibility requirements may be either very restrictive or minimally restrictive and still facilitate the targeting of grants. The results presented in the last chapter demonstrated that although the threshold eligibility criteria are fairly broad and not very restrictive, a majority of the districts known to have had a high reduction in minority isolation and required plans have never received an ESAA grant.

The focus of this subsection is the question:

- To what extent does the process of determining eligibility affect the targeting of grants?

Threshold Eligibility

The DHEW Office for Civil Rights (OCR) is responsible for making an initial determination of whether each applicant is eligible to receive a grant according to the plan eligibility criteria specified in the Act and the Regulations. (See Chapter II.A) EEOP program staff must obtain OCR certification of this threshold eligibility before processing an application.

If an applicant has been subject to a court or agency order to remedy the illegal segregation of students or faculty, threshold eligibility is virtually automatic and independent of the plan or activities ordered.

Threshold eligibility for districts seeking eligibility through non-required plans is less automatic and is, in fact, subject to a degree of interpretation. The most notable example of how variations in the interpretation of the eligibility criteria have influenced which LEAs have received a grant were the eligibility decisions relating to the acceptability of Comprehensive Education Plans (CEP). CEPs were plans developed in conjunction with OCR that involved affirmative action programs, and changes to upgrade curriculum, materials and facilities, but no student movement. They were developed in the earlier years of ESAA to enable many southwest LEAs with high proportions of Hispanic students to address the past inequities of minority isolation. In 1973, a regional HEW official issued, in concordance with central HEW, a memorandum which declared that districts implementing CEPs were eligible for ESAA assistance. It was reasoned that in an LEA with a high proportion of minority students it may not be feasible to reassign students to reduce minority isolation. However, since the third purpose of the Act is "to overcome the disadvantages of minority isolation" a district could adopt a CEP, be eligible for ESAA, and conduct projects in keeping with the purposes of the Act.

In the fall of 1976, this interpretation of eligibility criteria was brought into question within DHEW. As a result, in January, 1977 the Office of Education published in the Federal Register a clarification of the characteristics of eligible desegregation plans.[1] The approximately 40 LEAs with CEPs that had been receiving ESAA grants were given a 1 year grace period to adopt an acceptable plan. During the interim year, FY 77, these LEAs were able to apply for and receive ESAA grants through the discretionary funds in the Special grant program.

The January, 1977 notice also helped clarify the distinction between required and non-required plans. This proved useful a few months later in eligibility reviews of applicants for the supplemental funds appropriated for FY 77 for applicants with non-required plans. Previously, no distinction between required and non-required plans was necessary, since all grant competitions were officially blind to the type of plan. Particular questions had arisen in distinguishing between plans ordered by DHEW/OCR after a finding of illegality and plans adopted after initial DHEW/OCR inquiries.

Among many EEOP program staff, there is a perception that threshold eligibility is influenced by political pressure. As an example, one respondent cited a case in one state in which eligibility was denied in the initial years of the program; there was then considerable pressure to locate an "official paper" that demonstrated that the racially mixed schools in the LEA were by design and according to the plan. The "official paper" was found. According to the Regulations, an applicant must make available as evidence of a "plan", a copy of a school board resolution or "other evidence of final action adopting and implementing such plan..." In another example, a respondent felt that an LEA was given threshold eligibility without an "official paper" so that private organizations would then be eligible for NPO grants. Since officials knew the LEA could not obtain civil rights compliance eligibility, the granting of threshold eligibility did not enable the LEA to obtain an ESAA grant.

While citing such cases where the threshold eligibility criteria might have been stretched, EEOP respondents hastened to indicate that the number of such cases is very small and that there is usually no question of whether an LEA can achieve threshold eligibility. An examination of the application status of FY 77 Basic applicants also indicates that very few fail to achieve eligibility as a result of threshold eligibility criteria.

On the other hand, the study of ESAA program administration in Region II found that findings of eligibility by Regional OCR personnel are not reliable and that the Central OCR office in Washington, D.C. has no procedures for reviewing Regional office determinations. Washington OCR only reviews findings of ineligibility.

Threshold eligibility is not an issue for several Special grant categories. In the Education Amendments of 1976, authorization was given for the funding of ESAA Special projects for magnet schools, university/business cooperations and neutral site planning.[2] For these Special grants, any school district is eligible, whether implementing a plan or not.

Since for other ESAA grant categories a district must be implementing its plan at the time of the grant, the threshold eligibility requirements are inconsistent with respect to districts in a planning phase. While the need for planning for the Special grant types of activities is generally recognized, it is not clear that school districts undertaking these activities have any greater need for grant funds than districts planning other forms of educational and human relations activities that would enhance successful implementation of a plan. If planning is considered an important need worthy of financial assistance in these instances, then other school districts with equal planning needs may have been restricted from receiving eligibility for ESAA grants.

Thus, to answer the initial question posed with respect to threshold eligibility -- to what extent does the process of determining eligibility affect the targeting of grants? -- one can conclude that there have been cases in which interpretations of the Regulations have conferred eligibility on LEAs that are perceived not to have adopted and implemented a plan to reduce, prevent or eliminate minority isolation and there are some inconsistencies with respect to districts in a planning phase. However, the criteria are not very restrictive. Very few students need to be reassigned for a district to achieve eligibility under a non-required plan and few applicants have been declared ineligible because of threshold criteria. Thus, threshold eligibility does not restrict applicants.

Compliance Eligibility

The role of compliance eligibility in the targeting of grants is to permit only applicants without civil rights compliance problems to receive grants. While threshold eligibility was a yes, eligible/no, not eligible situation, the compliance eligibility process allows districts initially declared ineligible to take the steps necessary to become eligible and receive a grant.

The DHEW Office for Civil Rights is given the responsibility for determining whether an ESAA applicant complies with several civil rights requirements, which were outlined earlier in Section II.A. If an LEA is found during the application review process to be in non-compliance, it may seek a waiver of ineligibility. The waiver must contain assurances that the practice or policy has ceased to occur, and that steps have been taken to insure that the practices will not reoccur.

One can conclude from these data that the process of determining compliance eligibility does insure that ESAA grant recipients have no civil rights compliance problems. This is accomplished by encouraging applicants to come into compliance rather than eliminating them from further consideration. In this respect it differs from threshold eligibility requirements.

Indirectly, the process and criteria are perceived to affect the targeting of grants, however. As mentioned earlier, ESAA is the only DHEW/OE program concerned with equal educational opportunity that requires a pre-award review of an LEA's civil rights compliance status. As a result, EEOP respondents almost uniformly express the belief that this compliance review is the reason that many seemingly eligible districts choose not to apply for ESAA assistance; they don't want OCR investigating the practices within the district.

Each year, the compliance status of a large proportion of applicants is questioned by OCR. In FY 77, 121 (22 percent) Basic grant applicants were initially placed in a status which indicated that OCR questioned their compliance with civil rights requirements. However, in all but eight cases (1.4 percent), these initial questions were resolved or applicants were willing to take action required to obtain a waiver by the end of the funding cycle. In approximately 1/2 of the 121 cases, the initial question did not lead to a finding by OCR of a compliance problem and the applicants were not required to obtain a waiver. Similarly, approximately 22 percent of Pilot grant applicants were initially cited for compliance problems. However, unlike the Basic grant applicants, about 9 percent (21) of Pilot applicants did not resolve these problems.

III.B.2. Application Review

The application review assesses the relative need of eligible applicants and the quality of their proposed projects. It therefore assists in the targeting of grants by providing a basis for either restricting grants to only those with the greatest relative needs or quality, or awarding more funds to eligible applicants with the greatest needs or quality.

Each application receives a "stat score" and a "quality score". The four components of the stat score were introduced in the previous chapter as measures of need and plan impact. The quality score is a measure of the "educational and programmatic merits" of an application's narrative describing the proposed project.

The application review process affects the targeting of ESAA grants by its influence on two major features of the scores; these are score validity and score reliability. Whether applications with the greatest need and merit are identified by the scores is essentially a question of validity. Whether the scores consistently identify the same or equivalent applications as having the greatest need or merit is a question of reliability.

ESAA program regulations, guidelines and administration are all capable of affecting score validity. Reliability, however, is likely to be only a function of program guidelines and administration. For example, whether the construction of the stat score constitutes a valid composite measure of the need for assistance is governed by the components specified by the Regulations and the Act. Program guidelines can affect validity if systematic biases are introduced, for example, in the transformation of data to point scores. However, the extent to which a project narrative receives essentially the same score when rated at different times by the same panelist, or at the same time by different panelists, is a question of reliability and is a function of the rating form and the environment in which the ratings are performed. These are in turn controllable by program guidelines and administration.

In the next few subsections, the validity of the quality score, stat score and total score is examined. A few observations are presented on the reliability of quality scores. Score validity is examined from two perspectives. First, we examine the composition or construction of the score and analyze whether the chosen criteria in fact measure the underlying characteristic, such as project quality or need for assistance. Second, we analyze whether or not the particular rating form, point scale and rating management introduce systematic biases into the score which would affect the targeting of grants.

Quality Score

The purpose of the quality score is to assess the educational and programmatic merits of the applicant's proposed project. The validity of the quality score in serving as a measure of educational and programmatic merit depends on: (1) the relative weighting of the score components, (2) the ability to distinguish "high scorers" from "low scorers" in the quality point score distribution, and (3) susceptibility to systematic bias. In each of these areas, the quality score has problems of validity.

Weighting of Score Components

The Regulations specify the criteria and points to be applied in rating the narrative.[3] The six separate areas which are evaluated are shown in Table 3.1. The maximum points awarded to each section for each category of ESAA grants are shown in Table 3.2. To facilitate comparisons among grant types in this latter table, the quality scores have been rescaled so the total scores (stat plus quality) are all equal to 100 points; the maximum quality and total scores as specified by the Regulations for each grant type are different.[4]

According to the weighting of the individual components in the quality score, the most important indicator of quality is the rating given for "Activities," which in turn is defined by project design, staffing, delivery of services, and parent and community involvement. Activities are given the greatest emphasis in Special Neutral-Site grants and the least in Basic grants. Pilot quality scores differ from the other types of grants in that additional points (5.5 in the adjusted scale) are awarded for the degree to which the proposed project is replicable.

The relationship of the project to the particular purposes of the Act is evaluated in the Needs Assessment section and in subsections of the Activities-Project Design section of the narrative. As seen in Table 3.2, the Needs Assessment section receives one of the lowest relative point scores. The few additional points within the Activities-Project Design section do not appreciably change the relative importance of the relationship of the project to the purposes of the Act.

TABLE 3.1

THE SIX AREAS OF THE QUALITY SCORE

1. Needs Assessment
2. Statement of Objectives
3. Activities
    a. Project Design
    b. Staffing
    c. Delivery of Services
    d. Parent and Community Involvment
4. Resource Management
5. Evaluation
6. Replicability

TABLE 3.2

RESCALED QUALITY SCORES FOR ESAA APPLICANTS BY GRANT TYPE

Quality Score	Basic	Pilot	Bilingual	Special		Other LEA Special	NPO
				Magnet/ Univ/Bus	Neutral Site		
1. Need Assessment	5	5.5	9	6	20	5	7
2. Objectives	5	5.5	5.5	6	5	5	7
3. Activities	17	19	25.5	22.5	60	17	24
4. Management	5	5.5	4.4	5	10	5	7
5. Evaluation	5	5.5	5.5	5	5	5	7
6. Replication	-	5.5	-	-		-	-
TOTAL QUALITY SCORE	36	49	50	44	100	36	53
TOTAL SCORE MAXIMUM	100	100	100	100	100	100	100

The Needs Assessment section for Basic, Pilot and NPO grants must describe, according to the Regulations, the magnitude of the district's needs in relation to the district's plan, or in relation to the educational disadvantages of minority isolation.[5] The section must also present evidence of such needs by standardized achievement test data or objective means. Within the Activities-Project Design section, the Regulations call for a description of the degree to which the proposed project promotes interracial and intercultural understanding. For Bilingual grants, the Regulations require the Needs Assessment section to describe the severity of the district's need in relation to the inequality of educational opportunity available to minority children who are from environments in which the dominant language is other than English.[6]

The few points assigned the Needs Assessment section in the quality score are inconsistent with the importance uniformly attached to this section by EEOP program officers. Program staff indicate that this section is the one place where the need for the project in relation to the desegregation plan is demonstrated. They note that although an application could technically receive zero points on the Needs Assessment and still score highly on the remainder of the application, this is unlikely because of the instructions given to panelists prior to the reviews. The panel training has been used in effect to overcome the inadequacies in the point distribution among quality score components.

It appears then that the quality score as specified by the Regulations does not have "face validity"; the quality score does not reflect the importance generally attached to the relationship between the proposed projects and the implementation of the districts' desegregation plans.

There is little information available to test the predictive validity of the quality score; there are no data on whether projects that have received high quality scores in fact have high quality projects. Thus, the ability of the quality scores to predict high quality is unknown. It should be noted, however, that perhaps the most potent predictive criterion of quality is left out of the quality scores. This criterion is an assessment of a district's performance on past projects. While past performance is not an absolute predictor of future performance, a measure of the extent to which conditions that led to past satisfactory (unsatisfactory) performance are still present would undoubtedly increase the predictive validity of quality scores.

To modify or reconstruct the components of the quality score would require changes in ESAA Regulations.

Distribution of Scores and Selectivity

Beyond the question of whether the components of the quality score are related to the actual educational and programmatic merits of the project, are several questions relating to the adequacy of the particular instruments, scales and conditions chosen to measure the components.

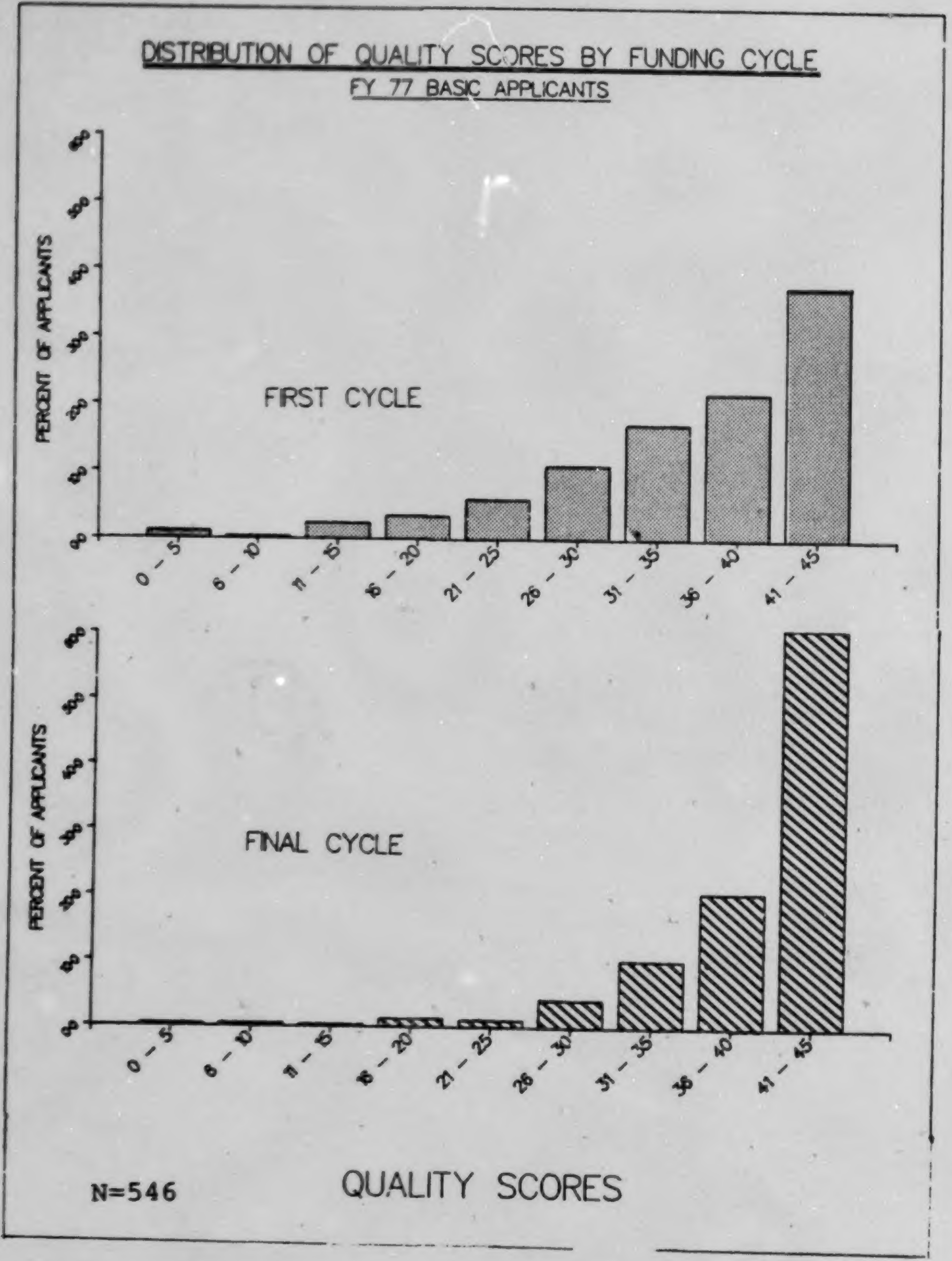
For the targeting of grants and funds, one of the most important questions concerns the distribution of scores obtained by applicants: does the distribution of scores enable one to distinguish "high scorers" from "low scorers". A point score distribution in which all eligible applicants have nearly the same score does not permit selectivity and therefore targeting.

In the selection of ESAA grantees, there are two quality score distributions of relevance, since there are two application submission cycles. Eligible applicants that are not funded on the first cycle may modify, improve, and resubmit their project proposals for the second cycle of funding. The application narratives are rated by a three or four member panel composed of non-Federal personnel, usually education professionals from school districts. To be funded, applications must, at minimum, achieve according to the Regulations a minimum cutoff quality score to ensure that the project has sufficient promise for achieving the purposes of the Act. For Basic grants, the minimum quality score specified by the Regulations is 28 points out of a maximum possible 45 points.

The distribution of FY 77 Basic quality scores obtained after the first and second cycles is shown in Figure 3.1. The results clearly show that the resubmission cycle enables many applications that are initially below minimum quality to increase their scores. On the first cycle, 30 percent of the FY 77 Basic applications received point scores below the minimum cutoff of 28 points. After the resubmission cycle, only 8 percent failed to achieve the minimum score.

The resubmission cycle also has the effect, however, of narrowing the distribution of scores around the maximum score. On the first cycle, 37 percent of all Basic applicants were within four points of the maximum, and 59 percent within nine points. After the resubmission cycle, 61 percent were within four points and 82 percent within nine points of the maximum score.

FIGURE 3.1


DISTRIBUTION OF QUALITY SCORES BY FUNDING CYCLE
FY 77 BASIC APPLICANTS
PERCENT OF APPLICANTS
FIRST CYCLE
0 – 5
6 – 10
11 – 15
16 – 20
21 – 25
26 – 30
31 – 35
36 – 40
41 – 45
PERCENT OF APPLICANTS
FINAL CYCLE
0 – 5
6 – 10
11 – 15
16 – 20
21 – 25
26 – 30
31 – 35
36 – 40
41 – 45
N=546
QUALITY SCORES

The shape of the quality score distribution, a narrow peak around the maximum score and a long fall off toward zero points, is a suitable distribution for distinguishing "very low scorers" from "low scorers". In other words, unacceptable and minimally acceptable quality projects may be easily distinguished. However, the narrow distribution around the maximum does not permit high quality projects to be distinguished readily from projects of moderate quality. It is analogous to trying to give exam grades of A, B, or C to students when 82 percent of the class received a score of 90 or over out of 100 points.

The net effect is that applications with very low quality may be easily distinguished and be eliminated from the grant competition. Approximately 5 percent (30 applications) were eliminated for failure to achieve the minimum qualifying score in both the FY 76 and FY 77 Basic grant competitions. However, the distribution of applicant quality scores above the minimum cutoff is not particularly suitable for focusing grants or funds to applicants with the highest quality projects.

EEOP officers have stated that the purpose of the quality score ratings is not to focus grants or funds on the highest scoring applications, but only, in fact, to determine minimally acceptable applications. In the resubmission process, however, many applicants are given the opportunity to improve their score even though they are above the minimum criterion. The administrative process for annually reviewing, scoring and ranking applications is time consuming and costly and inconsistent with this view.

The narrowness of the distribution of the quality scores near the maximum can be a consequence of the rating form, the individual scales for rating criteria or the conditions under which the ratings are performed. This latter factor had been the subject of some concern to EEOP program managers, since the Basic, Pilot and NPO application reviews have been performed in the 10 separate DHEW Regional Offices until FY 78.

Susceptibility to Systematic Bias

In FY 78, with the centralization of the EEOP administration, the paneling process was moved to the EEOP Central office in Washington, D.C. While the centralization was initiated for other reasons, one of the expected benefits has been a greater consistency in the conduct of the paneling process and rating of application quality. The variations in FY 77 Basic application quality scores by DHEW region, however, may be used as a measure of the susceptibility of the quality scores to systematic biases.

Each year prior to FY 78, each Regional office selected and trained non-Federal personnel to serve as panelists to rate each application on quality. The objective of the panel selection process has been to identify individuals with relative knowledge of ESAA-like education projects and with expertise in assessing the projects' relative merits without bias. Training has been provided to familiarize panelists with the purposes of the Act and Regulations and the quality criteria.

The FY 77 data indicate that there were significant differences between DHEW regions. Table 3.3 shows the distributions of quality scores of all FY 77 Basic applicants on the first submission cycle by DHEW region. The mean scores on the first and second cycles by region are shown in Figure 3.2. In one region, 78 percent of the applications received a near perfect score on the first cycle; 89 percent were within nine points of the maximum 45 points and only 7 percent were below the minimum cutoff. In another region, the pattern was reversed: 24 percent were within nine points of the maximum and 73 percent were below the cutoff score on the first cycle. The patterns in these two regions do not appreciably change after the second cycle. One-way analyses of variance further confirm that there are statistically significant differences in quality scores between regions.[7]

Whether the differences can be causally attributed on the basis of these findings solely to regional differences in the application review process is not clear. The results may also indicate that there was a regional variation in the quality of the pre-application technical assistance. There is some evidence, however, that the variation was not due to regional differences in technical assistance. We reasoned that pre-application technical assistance and information dissemination would not have

TABLE 3.3

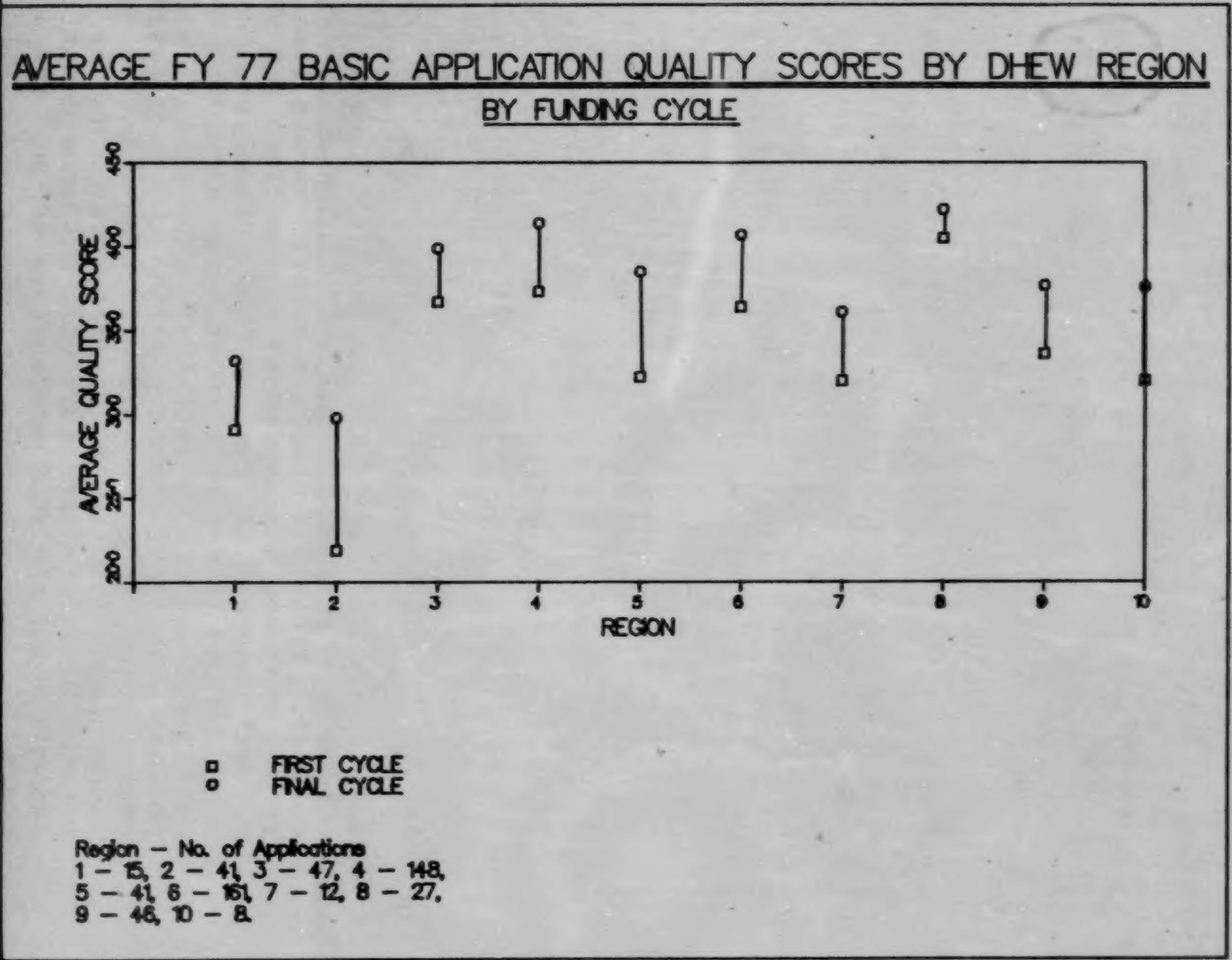
APPLICATION QUALITY SCORES BY DHEW REGION
FY 77 BASIC - FIRST CYCLE

In each cell, upper number is number of applications; lower number is percent of applications in region.

QUALITY SCORE

COUNT COL PCT	REGION 1 N.E. 1	REGION 2 NY-NJ 2	REGION 3 MID-ATL 3	REGION 4 S-EAST 4	REGION 5 NE-CNTR 5	REGION 6 S-CNTRL 6	REGION 7 CNTRL 7	REGION 8 W-CNTRL 8	REGION 9 WEST 9	REGION10 N-WEST 10	ROW TOTAL
0 - 5	1	5	0	0	0	0	0	0	0	0	6
	6.7	12.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1
6 - 10	0	2	0	0	0	0	0	0	0	0	2
	0.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
11 - 15	0	7	1	0	2	1	0	0	1	1	13
	0.0	17.1	2.1	0.0	4.9	0.6	0.0	0.0	2.2	12.5	2.4
16 - 20	0	8	1	1	4	0	1	1	3	0	19
	0.0	19.5	2.1	0.7	9.8	0.0	8.3	3.7	6.5	0.0	3.5
21 - 25	4	4	2	10	7	4	0	0	2	0	33
	26.7	9.8	4.3	6.8	17.1	2.5	0.0	0.0	4.3	0.0	6.0
26 - 30	3	4	5	13	3	16	3	1	11	1	60
	20.0	9.8	10.6	8.8	7.3	9.9	25.0	3.7	23.9	12.5	11.0
31 - 35	2	1	6	22	4	45	5	1	5	3	94
	13.3	2.4	12.8	14.9	9.8	28.0	41.7	3.7	10.9	37.5	17.2
36 - 40	3	5	12	32	11	38	2	3	12	1	119
	20.0	12.2	25.5	21.6	26.8	23.6	16.7	11.1	26.1	12.5	21.8
41 - 45	2	5	20	70	10	57	1	21	12	2	200
	13.3	12.2	42.6	47.3	24.4	35.4	8.3	77.8	26.1	25.0	36.6
COLUMN TOTAL	15	41	47	148	41	161	12	27	46	8	546
	2.7	7.5	8.6	27.1	7.5	29.5	2.2	4.9	8.4	1.5	100.0

FIGURE 3.2



AVERAGE FY 77 BASIC APPLICATION QUALITY SCORES BY DHEW REGION
BY FUNDING CYCLE

Region – No. of Applications
1 – 15, 2 – 41, 3 – 47, 4 – 148,
5 – 41, 6 – 161, 7 – 12, 8 – 27,
9 – 46, 10 – 8.

affected the applications of previous grantees as much as applications from those who had not received a previous grant or who had not previously applied for a grant. Thus, if the effects of receiving a previous grant can be removed from the quality scores, the effects of regional differences in technical assistance would be minimized. Analyses of variance were thus performed to examine the effects of both DHEW region and of being a previous grantee.

The results show that on the average the FY 77 applicants that did not receive a previous grant scored roughly five points less than those that did receive a previous grant. While the effect of having a previous grant on quality scores is statistically significant, the effect is independent of region; average quality scores in the regions remain relatively unchanged after removing the effects of previous grant experience. There is still a significant variation in the quality scores from region to region after the effects of having a previous grant have been removed. The effect of DHEW region accounts for 25 percent of the variation in quality scores; the effects of DHEW region and having had a previous grant together account for 28 percent.[8]

The results appear to indicate that the paneling and rating process had introduced and can introduce significant systematic biases into the quality scores.

Part of the problem may be due to the inability of the rating form to transform what is essentially a subjective process into one which is at least partially objective. If an instrument lacks objectivity it is easier to introduce systematic biases to affect score validity.

The item scales in the quality score rating form are not constructed in a manner which leads to reliable ratings. Table 3.4 displays several rating items. The rating measures are expressed as questions for which the natural response is "Yes" or "No". Panelists, however, are required to assign a point value according to the extent the measure is satisfied. The rating is difficult because each item, although having the same Yes/No type of construction, is assigned a different point value. A large responsibility is therefore placed on the training process to inform panelists what evidence constitutes a maximum score and what evidence is grounds for a lower score.

TABLE 3.4

EXCERPTS FROM BASIC APPLICATION QUALITY RATING FORM

EDUCATIONAL AND PROGRAMMATIC CRITERIA (Basic Grant)			Comments	Weight Factor	Score
NEEDS ASSESSMENT - The magnitude of needs in relation to desegregation, elimination, reduction, or prevention of minority group isolation, or the educational disadvantages of such isolation, and the degree to which the existence of such needs is demonstrated by standardized achievement test data or other objective evidence. (45 CFR 185.14(b)(1))				6	
(1) Has the applicant assessed the magnitude of needs and presented evidence of their existence?				6	

Overall comments on Needs Assessment:

STATEMENT OF OBJECTIVES - The degree to which the objectives are specific and measurable in relation to identified needs, and the degree to which the project realistically addresses needs and involves the total educational resources of the community. (45 CFR 185.14(b)(2))				6	
(1) Has the applicant set forth specific measurable objectives?				3	
(2) Does the project promise realistically to address needs identified and involve the total public and private educational resources of the community to be served to the fullest extent possible?				3	

EDUCATIONAL AND PROGRAMMATIC CRITERIA (Basic Grant)			Comments	Weight Factor	Score

Statement of Objectives (cont)

Overall comments on objectives:

III. ACTIVITIES				21	
1. Project Design - The extent to which services are concentrated, intensive and individualized; the extent of student involvement, and the extent to which the project promotes interracial understanding. (45 CFR 185.14(b)(3)(i))				11	
(1) Are services concentrated upon a specific and sufficiently limited group of participants to give promise of measurable growth for each participant?				3	
(2) Are services sufficiently intensive to give promise of measurable growth for each participant?				2	
(3) Does the project emphasize individualized instruction and services?				2	
(4) Are students to be served afforded an opportunity to contribute to and suggest changes in the project?				2	

If panel training does not address this issue of assigning points, the reliability of the resultant quality scores is questionable because the point scale for each item is extremely subjective. If panel training does address the issue, it may, depending on the instructions, bias the scores to the high or low side. The quality scores may then have questionable validity.

The form would be improved if, at minimum, each item had a similar point scale. The weighting of each item could be incorporated afterwards by multiplying the score by the appropriate maximum points for the item.

Briefly summarizing, we find that the application quality score suffers from several validity and reliability problems. These problems influence the program's ability to target grants and funds to applicants with projects of more than minimal quality. As constructed according to the Regulations, the relatively low weighting given the Needs Assessment section is inconsistent with EEOP staff perceptions of its importance in determining project quality. The distribution of scores does not permit the selection of high quality projects, only the distinguishing of low quality from very low, unsatisfactory quality. There is also a susceptibility to systematic biases, as evidenced by regional differences in the FY 77 Basic application quality scores. The rating form does not decrease the subjectivity of the ratings process, leading to unreliable scores and scores susceptible to bias.

Although reconstructing the components of the quality score would require changes in the Regulations, many of the latter problems could be minimized through changes in program guidelines and administration.

Stat Score

As discussed in the previous chapter, the stat score was established by the ESAA Regulations to measure both the applicant's need for assistance and the impact of its plan. The score is derived from data supplied by the LEA in its application. Data on minority, non-minority and total enrollments in the application year, the project year and the base year are converted to point scores by EEOP program staff. (The base year is defined by the Regulations as the fiscal year before the implementation of a district's plan.)[9]

The validity of the stat score can influence the targeting of grants and funds in much the same manner as the quality score. The validity of the stat score as a measure of need for assistance and plan impact is affected by (1) the relative weighting of the score components currently specified by the Regulations; (2) the choice of the components, including the omission of relevant measures; and (3) the point score distribution and the ability to select "high scorers" from "low scorers." The second item is particularly a problem for the stat score's validity. The General Accounting Office (GAO) has criticized its current construction as not furthering the targeting of grants to districts with the greatest needs. OE has in part disagreed.[10] The GAO findings and OE response are both examined here.

Weighting of Score Components

The four components and the relative weight of the components within the stat score are specified by the Regulations.[11] The maximum points available to each component are shown in Table 3.5 for the different types of ESAA grants. The points have been rescaled so the total score (quality plus stat) equals 100 points.

According to the weighting, the impact of the plan is given relatively high importance in the Basic grants and lower importance in the Pilot and Bilingual grants. For these latter categories, the need for assistance as measured by the number and percent minority are given greater weight than the impact of the plan. This is consistent with the primary purpose of these grants to overcome the disadvantages of minority isolation. The NPO grants maintain the same relative importance of need and impact, but their overall importance in the total score is diminished.

TABLE 3.5

RESCALED STAT SCORES FOR ESAA APPLICANTS BY GRANT TYPE

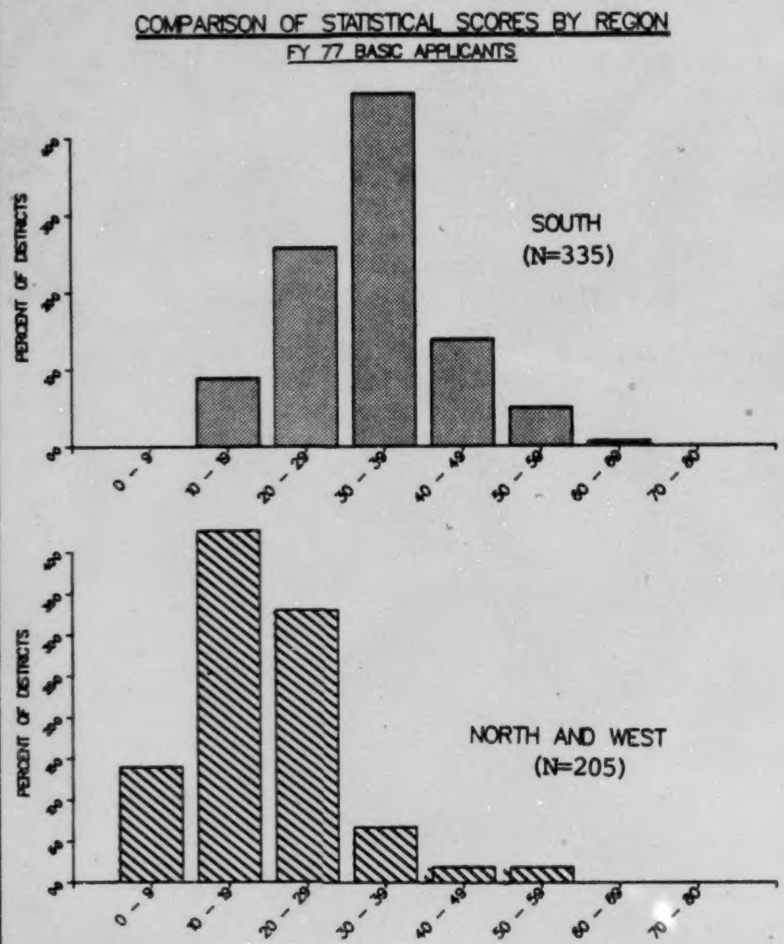
				Special			
Statistical Score	Basic	Pilot	Bilingual	Magnet/ Univ/Bus	Neutral Site	Other LEA Special	NPO
1. Need for Assistance	24	28	27	-		24	17
a) Minority Enrollment	(12)	(14)	(14)	-		(12)	(9)
b) Percent Minority	(12)	(14)	(14)	-		(12)	(8)
2. Impact of Plan	40	23	23	-		40	30
a) Reduction in number of minority isolated children	(24)	(14)	(14)	56		(24)	(18)
b) Reduction in percent	(16)	(9)	(9)	-		(16)	(12)
TOTAL STAT SCORE	64	51	50	56	0	64	47
TOTAL SCORE MAXIMUM	100	100	100	100	100	100	100

The ESAA Special Magnet, University/Business Cooperative (UBC) and Neutral Site grants are clearly special cases and are shown for comparison purposes. While there are no statistical criteria for Neutral Site grants, the statistical score for the Magnet and UBC grants consists solely of measures of plan impact in the last 2 years. The Magnet and UBC grants weigh plan impact the highest of any grant category.

As seen in the last chapter, a large proportion of the districts implementing a non-required plan and located in the north and west receive nearly zero points in the measures of plan impact. Clearly then, the relative weighting of the components of the stat score can affect the targeting of grants. The greater these measures are emphasized, the less grants and funds are likely to be focused to districts having the characteristics of those with non-required plans in the north and west. This is evident in Figure 3.3 in which the total stat scores by region are displayed. The median stat score is 20 points greater in the south than in the north and west. The same pattern is found for the variation of stat scores by type of plan, since plan type and region are closely related.

The finding of the previous chapter that Basic grants are highly focused to districts with a high combined percent minority and minority enrollment indicates that despite the higher weighting on plan impact, the measures of need relating to minority enrollment predominate.

FIGURE 3.3


COMPARISON OF STATISTICAL SCORES BY REGION
FY 77 BASIC APPLICANTS
PERCENT OF DISTRICTS
SOUTH
(N=335)
0 - 9
10 - 19
20 - 29
30 - 39
40 - 49
50 - 59
60 - 69
70 - 80
PERCENT OF DISTRICTS
NORTH AND WEST
(N=205)
0 - 9
10 - 19
20 - 29
30 - 39
40 - 49
50 - 59
60 - 69
70 - 80

Choice of Stat Score Components

The external validity of the stat score is not only a question of the relative weighting of the components, however. It is also a question of whether some components should be included at all and whether others that have not been included should be. A General Accounting Office report has criticized OE for not employing the factors suggested in the Act to assess applicant need. Of the four factors suggested in the Act, three -- financial need, deficiencies in quality of education, and expense and difficulty in carrying out a plan -- are not directly addressed according to GAO.[12]

In response, OE pointed out that GAO has not taken into account the Needs Assessment section of the application in which an LEA may supply information on the above factors.[13] Also, OE suggested that the currently available state data on relative financial need are not comparable across states and thus these data would be inappropriate and inconsistent with the reapportionment provisions of the Act. We note that in a previous subsection it was found that the few points for the Needs Assessment section were inconsistent with the relative importance given it by EEOP program officers and that the narrow distribution of quality scores does not permit the identification of districts with high quality, much less high need.

GAO also suggested that the points awarded for the number and percent minority pupils may not be related to need, since the pupils may never have been in a minority-isolated situation, and that a measure of minority isolation, as suggested by the Act, may be a more appropriate measure of need. OE disagreed, suggesting that the use of a minority isolation measure would in effect give districts credit for segregation and also would offset the measures of plan impact. If the reduction in isolation is small, isolation would be high; if the reduction is high, isolation would be low.

The results of the last chapter indicate that both positions are only partially correct. First, the correlation between minority isolation and percent minority enrollment is extremely high ($r = 0.90$). Thus, percent minority enrollment is an effective, although not perfect, surrogate for minority isolation. This is a consequence of the definition of minority isolation as a condition in which a minority child is in a school over 50 percent minority. Clearly, most minority children in districts over 50 percent minority district-wide will be minority isolated; the degree of isolation is as much a function of the district-wide minority proportion as the degree of segregation.

Thus, GAO's objection to percent minority as an appropriate measure is not entirely valid. The same is not true, however, for the stat score component relating to the number of minority pupils. Minority enrollment scores added to percent minority scores decrease the association of the stat score with minority isolation. If the program is viewed as providing assistance for all minority children in the district, the number of minority pupils may be a valid measure of need. However, if the program is viewed as serving only the students, both minority and non-minority, affected by the plan, or serving the project participants, the number of minority pupils may not be a valid measure of need.

Second, OE's association of minority isolation with segregation is not completely valid in districts in which the district-wide proportion of minority pupils is greater than 50 percent. A racially balanced district that is 70 percent minority may have greater minority isolation than a partially segregated district that is 30 percent minority. Several actual cases are found in Table 2.1 of Chapter II. Minority isolation as defined by the Act is therefore not necessarily a measure of segregation, or imbalance.

GAO also suggested that the total number and percent of students affected by the plan may be an appropriate measure of need. OE concurred, but indicated that these are already included in the present stat score. Again both positions are partially correct. The confusion lies in the nature of the plan. The Act specifically relates to plans that eliminate, reduce or prevent minority isolation. Neither the Act nor the Regulations specifically deal with plans in which minority isolation has not changed, but racial imbalance has decreased. Consider the following situation:

> A school district has 1,000 pupils and is 20 percent minority (200 minority pupils, 800 white). It has five schools, each with an enrollment of 200 pupils. Two schools are 50 percent minority and three schools are all white. The school district has been found to have illegally adjusted attendance areas to maintain the three all white schools. A plan is

> mandated to make all schools in the district 20 percent minority, the district-wide average. Sixty percent of the minority students (120) and 15 percent of the white students (120), or 24 percent of the total enrollment, are reassigned.

According to the present stat score measures of plan impact, there has been no decrease in minority isolation. Thus, if this district applied for an ESAA grant it would not receive any points for net reduction in minority isolation. (The district is in fact only eligible to receive a grant because the plan was mandated. If it was adopted voluntarily, it would have to demonstrate that there was a good likelihood that minority isolation would occur in the two 50 percent minority schools.)

While this is an extreme example, Table 3.6 presents actual enrollment data for a case study district that implemented a plan 2 years ago under court order. It received zero stat score points for net reduction in minority isolation.

Therefore, OE was incorrect in responding that the stat score currently includes measures of the number and percent of students affected by a district's desegregation plan, if affected by the plan means reassigned. OE was correct in responding that the stat score includes measures of the number and percent of students affected by a plan if affected by a plan means only to reduce or prevent minority isolation as defined by the Act.

The problem is that the Act does not recognize plans to reduce racial/ethnic imbalance where little or no minority isolation, as defined by the Act, exists. If districts with plans and characteristics such as the case study district are considered to have a need for assistance in each of the schools, the stat score does not validly measure this need.

In the same context, a few LEA respondents indicated that the Act and Regulations do not recognize in the stat score additional needs that might arise from the high proportion of more than one minority group in an LEA. Isolation is only defined in terms of minority-white, not black-hispanic, hispanic-asian, etc. A plan which decreased black pupil isolation from hispanic pupils in a 70 percent minority district would not receive any points for plan impact, but the district may have many of the same needs of desegregating districts with only one

TABLE 3.6

MINORITY PUPIL ENROLLMENT DATA FOR COTTONWOOD[a]

	Base Year		Project Year	
School	Number Minority	Percent Minority	Number	Percent
1	224	52.8	236	45.4
2	110	42.8	66	33.0
3	113	40.8	68	30.3
4	134	34.2	158	32.9
5	164	33.1	68	30.3
6	61	23.7	166	32.6
7	55	22.2	96	27.6
8	55	20.5	62	21.0
9	48	16.2	98	25.7
10	26	14.8	45	21.5
11	47	12.6	106	21.2
12	36	9.3	97	21.6
13	29	9.1	36	8.9
14	18	8.9	70	21.9
15	20	6.3	38	12.0
16	19	6.0	82	16.7
17	27	5.6	88	13.7
18	19	5.0	89	16.9
19	4	1.5	71	19.3
20	3	0.9	41	11.0
	1,212	18.7	1,713	22.7

In the base year, Cottonwood had only 1 minority group isolated school, School 1. In the project year, no schools were minority isolated schools. Only the 224 minority students in School 1 had their isolation reduced according to the definitions in the Act and Regulations. As the data demonstrate, however, the mandated plan resulted in a considerable reduction in racial imbalance in the schools in the district.

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[a] Cottonwood is a pseudonym.

minority population. Of FY 77 Basic grant applicants, 40 or 7.3 percent had two minority student populations constituting over 10 percent each of the total enrollment.

Recency. On other items relating to the stat score, such as the desirability of incorporating as a measure of need the recency with which a district implemented its plan, both OE and GAO concurred. As shown in the last chapter, more than two-thirds of ESAA Basic grants are awarded to LEAs that implemented an eligible plan prior to 1973. As GAO recounted, a policy of giving more weight to districts that recently desegregated had been considered in the first years of ESAA. However, the DHEW Secretary established a policy of equal weight.

The Special Magnet School/UBC grants incorporate an emphasis on recency through the measures of plan impact by fixing the reference or base year from which changes are measured at 2 years prior to the project year. In all other grant categories, the base year is the year prior to implementation of the district's required or non-required plan. For newly desegregating applicants this may be 1 year ago, for many others it is prior to 1968, and for a few it is over 25 years ago.

The current base year definition used in the two components in the stat score relating to plan impact permits applicants that have not only initiated implementation, but that have also completed student reassignment many years ago, to compete on an equal basis with districts in the process of student reassignment. The effect is to negate the relation between the reduction measures and the need for assistance in the project year.

The General Accounting Office and OE concurred on the need for clarification of the base year definition. Even the current definition specified in administrative guidelines has been sufficiently unclear as to allow varying interpretations by ESAA program officers. It has been described as the very first year any plan was implemented which moved students, the last year in which a new plan (not modification) was implemented, and any year the district wishes to choose in which there was a modification in the plan which would maximize its stat score. Recent program officer training and the centralization of ESAA operations have addressed this inconsistency problem.

Related to recency is another measure, continued need for assistance. Currently neither the stat score nor the needs assessment actively take into account the amount of previous grant funds that have been received by a district. As a result districts that have received ESAA grants year after year compete on an equal basis with first-time applicants. Since most eligible applicants implemented a plan over 5 years ago, most grant recipients received their first ESAA grant in FY 73 and have received a grant every year since. As shown in the previous chapter, 60 percent of all FY 77 Basic grantees have received a grant every year since FY 73.

Changes in the construction of the stat score components would require changes in the ESAA Regulations.

Distribution and Selectivity

As can be seen from Figure 3.3, the total stat score does not suffer from being narrowly peaked near the maximum like the quality score. In fact, few FY 77 Basic applications are within 10 points of the 80 point maximum stat score. This is due to the fact that extremely few districts receive more than 15 of the 30 points in the measure of net reduction in the number of minority students enrolled in minority group isolated schools. This does not affect one's ability to distinguish "high scorers" from "low scorers" since the distributions on the stat score are sufficiently broad.

The targeting of grants is affected, however, in the north and west by the point score distributions for the reduction scores. There are several states in which very few applicants receive any points on plan impact. Thus, the stat score is not able to distinguish the relative impact of the plan (assuming there is a plan and impact) among these districts. The stat score in these states might as well be only the measures of number and percent minority. Thus, districts with high enrollments and a high percent minority are highly favored in the allocation of grants in these states.

Total Score

The total score is the final arbiter of which applicants receive grants, since eligible applicants are ranked for funding in order by decreasing total score. For Basic, Pilot and NPO grants the ranking is within each state; for Bilingual and Special grants the ranking is nation-wide.

Whether the total score "does what it purports to do"[14] clearly affects the targeting of grants. Since the total score is just a weighted sum of the quality score and the stat score, the validity of the total score is mainly a function of the validity of these two components. Additional questions are whether the relative weighting of the components as specified by the Regulations is consistent with the purposes of the Act, and whether the point score distribution facilitates selectivity. We find that the greatest validity problem for the total score is the narrow distribution of the quality scores; it diminishes the ability to select grantees on both need and quality via the total score.

Weighting of Components

The relative weighting for stat and quality scores within the total score are displayed in Table 3.7. As before, the scores have been rescaled so the total scores for each type of ESAA grant are equal to 100 points. Quality is given approximately equal or greater weighting in the Pilot, Bilingual and NPO projects, while the stat score is given greater weighting in the Basic and Special grants.

The relative weighting of quality and stat scores appears consistent with the different purposes specified in the Act and Regulations for the different types of grants. The Pilot and Bilingual grants are more concerned with overcoming the disadvantages of minority isolation than with assisting the needs associated with plan implementation. In addition, these grant categories effectively have additional eligibility requirements, not present in the Basic category, that help to focus the grants. LEAs applying for Pilot grants must meet minimum minority enrollment criteria and LEAs applying for Bilingual grants must clearly demonstrate the specific need for bilingual education projects.

TABLE 3.7

RESCALED QUALITY AND STAT SCORES FOR ESAA APPLICANTS BY GRANT TYPE

Statistical Score	Basic	Pilot	Bilingual	Special Magnet/ Univ/Bus	Special Neutral Site	Other LEA Special	NPO
1. Need for Assistance	24	28	27	-		24	17
a) Minority Enrollment	(12)	(14)	(14)	-		(12)	(9)
b) Percent Minority	(12)	(14)	(14)	-		(12)	(8)
2. Impact of Plan	40	23	23	-		40	30
a) Reduction in number of minority isolated children	(24)	(14)	(14)	56		(24)	(18)
b) Reduction in percent	(16)	(9)	(9)	-		(16)	(12)
TOTAL STAT SCORE	64	51	50	56	0	64	47
TOTAL SCORE MAXIMUM	100	100	100	100	100	100	100
Quality Score							
1. Need Assessment	5	5.5	9	6	20	5	7
2. Objectives	5	5.5	5.5	6	5	5	7
3. Activities	17	19	25.5	22.5	60	17	24
4. Management	5	5.5	4.4	5	10	5	7
5. Evaluation	5	5.5	5.5	5	5	5	7
6. Replication	-	5.5	-	-		-	-
TOTAL QUALITY SCORE	36	49	50	44	100	36	53
TOTAL SCORE MAXIMUM	100	100	100	100	100	100	100

The higher weighting of quality scores for NPO applications is consistent with the view that since the NPO is responsible for the project, but not for the degree of reduction in minority isolation resulting from the implementation of the plan, its application should mainly be judged by its quality and not the LEA's stat score. It is inconsistent with the view that NPO grants are as related to the implementation of an LEA's plan as Basic grants and therefore the needs associated with desegregation should be the primary selection criteria.

Distribution of Scores

While the weighting of the quality score and stat score is consistent with the purposes of the Act, the narrow distribution of quality scores for Basic applicants may defeat the legislative intent. Nationally, statistical scores and total scores for FY 77 Basic applications corresponded nearly one to one in rank order. In other words, removing the quality score from the total score would not change the ranking of most eligible applicants in the nation.[15] Within individual states, the impact of the quality score on the ranking of eligible applicants varies somewhat, but is still small. This result is consistent with the view of EEOP that quality scores should not be the determinant of grant selection. As mentioned previously, this result is achieved at significant administrative effort and cost for the quality rating process for the initial and resubmission cycles.

The dependence of the total score on the stat score is the strongest in the states of the south, in which the stat score is relatively large because the once former dual school systems have achieved a high net reduction in minority isolation. In many states in the north and west, where there are very few applicants with points for reduction in minority isolation, the narrowness of the quality score distribution enhances the importance of the number and percent minority pupils as the arbiter of which applicants receive an ESAA Basic grant. This is in part due to the method by which Basic grantees are selected (see next subsection).

III.B.3. Selection for Funding

If the targeting of grants is to be accomplished by restricting grantees to only those with the greatest needs or quality, the selection of applicants on the basis of total scores determined by the application review must be fairly discriminating. Since applicants are funded in order of decreasing total score, the ability to be selective is influenced by three program factors:

- minimum cutoff scores - the higher the cutoff scores, the fewer low scoring applicants will be funded, and vice-versa;
- the relative competition - for Basic, Pilot and NPO grants applicants compete against others from within their own state, while for Bilingual and Special grants the competiton is nation-wide. The competition varies with the number of applicants and funds in each state; and
- grant appropriations - if appropriations exceed grant requests, all eligible applicants with above minimum scores can receive an award. If appropriations are less than requests, applicants with lower ranking scores will not be funded.

The impact of these three factors on the selection of grantees can be investigated by examining how many applicants are not funded because they are in a "low quality" or "fiscal hold" status in each of the two cycles for awarding grants.[16] A "low quality" status is given to applications if their quality and total scores are below the minimum cutoff scores, the first factor. A "fiscal hold" status is given to applications if their total score is relatively low, but above the cutoff, and they are not funded because of their low rank and insufficient funds, i.e., the second and third factors.

In the first funding cycle, applicants are funded in order of decreasing total score until 2/3 of the state's (or nation's) apportionment is exhausted.[17] Applicants with low quality or fiscal hold status at the end of the first cycle are permitted to modify, improve and resubmit their applications (quality scores) for a second cycle. In this cycle, the remaining apportionment is awarded to the remaining unfunded applicants in order of their improved total scores until the apportionment or number of applicants is exhausted.

If there are states in which the applications did not exhaust the state appropriation, there is, in effect, a third, final funding cycle. The excess funds from these states are redistributed to states that have more eligible applicants than funds. Thus, districts in these latter states in fiscal hold after the second cycle still may have an opportunity to be funded through this reapportionment.

The impacts of the three factors -- minimum scores, relative competition, and appropriation -- are described below and shown in Figure 3.4, which displays the proportion of applicants in each status after the three funding cycles for the FY 77 Basic, Pilot, Bilingual and Magnet School grants.

Minimum Score Criteria

The minimum score criteria affect the proportion of applicants given low quality status. Initially, approximately 20 to 25 percent of Basic, Pilot and Bilingual applicants are below the minimum scores. After the resubmission process, this proportion drops to 4, 7 and 15 percent, respectively.

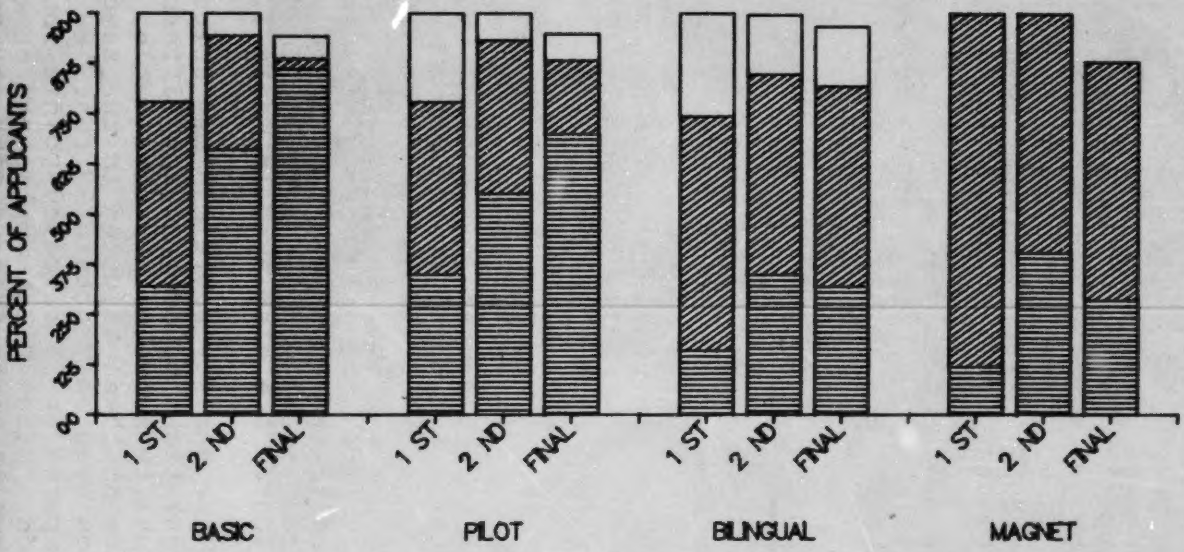
The relatively low proportion of Basic and Pilot applicants that do not achieve the minimum cutoff score can be attributed somewhat to the relatively lower minimum score criteria for these grants. For Basic applications, a minimum total score of 40 points out of 125 points must be obtained; for Pilot grants 45 out of 108. The differences among the grant categories in terms of minimum score criteria are even more pronounced when the maximum total scores are all adjusted to equal 100 points. The rescaled scores are displayed in Table 3.8.

While the quality score minimum criteria have been set by the Regulations to account for differences in the maximum quality score points obtainable, the total score minima have not been adjusted to the same extent. A Basic application need only obtain 32 rescaled points to be funded compared to 35 rescaled points for a Pilot application. Since Pilot applicants must have 15,000 minority pupils or 50 percent minority enrollment, they must achieve a minimum of 7 points to even achieve

1

FIGURE 3.4

PROPORTION OF FY 77 APPLICANTS SELECTED FOR FUNDING
BY CYCLE AND GRANT TYPE



□ Applications with Scores Below the Minimum
▨ Applications in Fiscal Hold
▤ Applications Selected for Funding

Basic = 546 Applications; Pilot = 228 Applications; Bilingual = 68 Applications; Magnet = 42 Applications

The bars in the final cycle do not equal 100 percent because a fraction of the applicants were in legal hold status. In the first and second cycles, the applicants in legal hold status have been included in the selection for funding and fiscal hold categories, as appropriate.

threshold eligibility. The effective minimum score is thus 38 points unscaled, or 35 points scaled. (There are no minimum stat scores necessary; a Basic applicant can receive a grant with zero stat score points, if its quality score exceeds 40 points. There are no quality or stat or total score minimum criteria for Special grants.)

Although funding status data have not been presented for NPO grants, the relative differences among grant categories are illustrated further by the NPO minimum score criteria. The NPO applications on an absolute scale have the same minimum criteria as Basic applications, 28 and 40 points. However, since the maximum total score for an NPO application is only 85 points, these minimum criteria are much more stringent than for the other criteria. An NPO application must receive 47 total points out of 100 points compared to 32 points out of a 100 for Basic applications.

The net result is that the minimum score criteria for Basic applications do not enhance the selectivity, and therefore the targeting of grants, to the same extent as criteria for Pilot, Bilingual and NPO applications. Only 30 FY 77 Basic grant applicants out of 546 (5.5 percent) were prevented from receiving a grant by these criteria.

TABLE 3.8

Comparison of Minimum Score Criteria for ESAA Applications

A. As Specified by Regulations

	Grant Category			
	Basic	Pilot	Bilingual	NPO
Quality Score				
Maximum possible points	45	53	55	45
Minimum required	28	33	33	28
Stat Score				
Maximum possible	80	55	55	40
Minimum required	0	0	0	0
Total Score				
Maximum possible	125	108	110	85
Minimum required	40	45[b]	45	40

B. Rescaled Scores[a]

	Grant Category			
	Basic	Pilot	Bilingual	NPO
Quality Score				
Maximum possible	36	44	50	55
Minimum Required	22	30	30	33
Ratio minimum/maximum	0.61	0.61	0.60	0.60
Total Score				
Maximum possible	100	100	100	100
Minimum required	32	35	41	47
Ratio minimum/maximum	0.32	0.35	0.41	0.47

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[a] Scores specified by Regulations have been proportionately adjusted so total scores for all grant categories equals 100 points.

[b] To be eligible for a Pilot grant, an applicant must have 15,000 minority students *or* over 50 percent minority enrollment. This corresponds to having 11 points for enrollment *or* 7 points for percent. Thus, the true minimum is 45-7=38 points.

Relative Competition and Available Appropriations

The influence of the two remaining factors -- relative competition and available appropriations -- may be seen in the proportion of applicants that remain in fiscal hold status.

In FY 77, the proportion of applicants remaining in fiscal hold was small, about 3 percent. This percentage was smaller than usual; in FY 76, 8 percent remained in fiscal hold. In FY 77, most of the applications in fiscal hold (and a few in a funded status) from districts implementing a voluntary, non-required plan were transferred to, and funded by, supplemental appropriations for the Special grants category. Only 13 of the nearly 500 FY 77 eligible Basic applicants that achieved the minimum qualifying score did not receive a Basic grant. An additional 46 were funded by the Special grant funds.

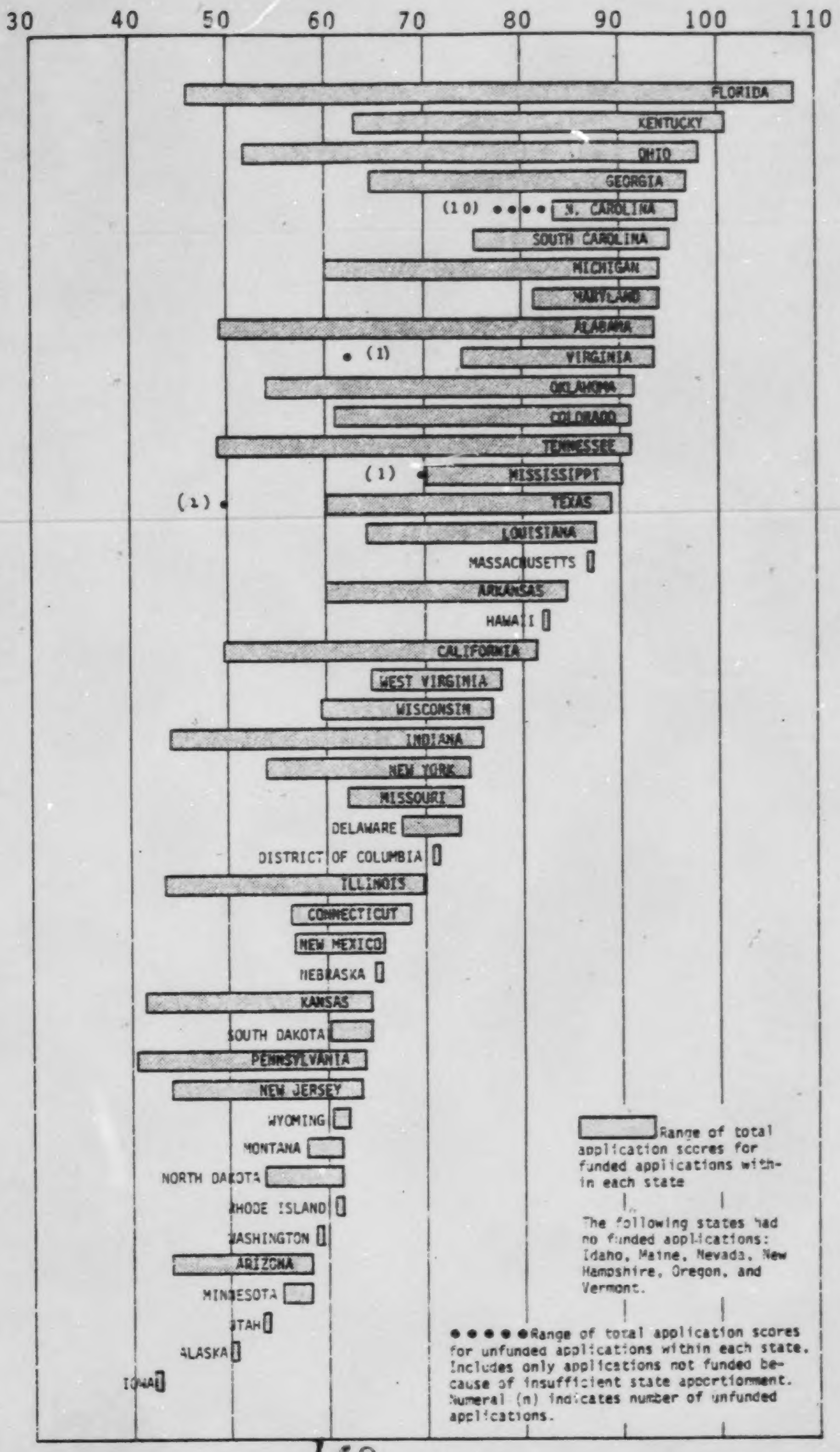
The results displayed in Figure 3.4 thus indicate that most Basic grant applicants receive grants. In FY 77, 85 percent received a grant and in FY 76, 81 percent received a grant. In each year, approximately 6 percent were not funded because of eligibility problems, while 5 percent were below the minimum criteria. The data in Figure 3.4 also indicate that the competition for funds is less severe in the Basic and Pilot competitions than in the national Bilingual and Magnet grant competitions. Whereas 70 and 85 percent of the applications are funded in the within-state Pilot and Basic competitions, respectively, roughly only 36 percent are funded in the national competitions.

Effects of Within State Competition

If a lower national level of funding were available for Basic and Pilot grants, the selective competition factor would be extremely important. The within-state ranking for Basic and Pilot grants creates a state-to-state inconsistency in the level of need and quality required for funding; an eligible application with a given need and quality (as measured by the total score) may be selected for funding for Basic and Pilot grants in one state and not in another as a result of the within-state competition. Figure 3.5 illustrates the range of total scores for FY 77 Basic grant applicants achieving above minimum qualifying scores. Although only a few applications were not funded, the inconsistency in the minimum scores of funded projects and maximum scores

FIGURE 3.5

RANGE OF APPLICATION SCORES FOR FUNDED AND UNFUNDED FY 1977 BASIC GRANTS WITHIN EACH STATE



Range of total application scores for funded applications within each state

The following states had no funded applications: Idaho, Maine, Nevada, New Hampshire, Oregon, and Vermont.

● ● ● ● Range of total application scores for unfunded applications within each state. Includes only applications not funded because of insufficient state apportionment. Numeral (n) indicates number of unfunded applications.

of unfunded projects is apparent. This makes it highly unlikely that grants can be focused on a national scale to applicants with the greatest needs or merit.

The within-state ranking of applications also de-emphasizes the national importance attached to funding eligible applicants with high plan impact. While 40 percent of the total score for Basic grants is derived from the measures of net reduction of minority isolation, 35 percent of the ESAA applicants in states in the north and west do not achieve any points for these measures. The result of the within-state competition is thus the funding of many districts in states in the north and west that have less comprehensive plans than districts in states in the south.

In the Basic, Pilot and NPO categories, the amount appropriated to each state is also a particularly influential factor. Each state is apportioned a different fraction of the national appropriation. Thus, depending on the number of applications, the grant funds requested and the apportionment in a state, the selection of grantees could be extremely competitive, or without competition -- all applicants could be funded. If the formula used to apportion the funds to the states is a valid measure of relative need, the targeting of grants and funds would be ensured to at least the state level.

The current formula is specified by the Act. Each state is apportioned $75,000 plus a fraction of the national appropriation which is equivalent to the state's fraction of the nation's minority children aged 5-17 years. Each state, however, is entitled to a minimum of $100,000. California receives the largest appropriation for Basic grants, roughly $18 million, with Texas and New York following with about $13 million. Vermont and New Hampshire receive the minimum appropriation possible.

As will be discussed in more detail in the next chapter, many state apportionments are insufficient to fulfill the requests of newly desegregating central city districts. Significant redistribution occurs each year from states in which LEAs do not request the states' full apportionment to states in which requests for funds exceed the state apportionment.

III.C. Summary and Conclusions

There are two processes in ESAA program operations that can potentially influence which school districts receive an ESAA grant. The pre-application information dissemination and technical assistance process can influence districts' perceptions of ESAA and therefore indirectly their decisions to apply. The application review and fund allocation process can influence which applicants receive grants. Of the two processes, the application review process affects the targeting of grants to school districts to a greater extent.

We found that ESAA program operations have effectively focused grants to districts that fulfill civil rights compliance criteria and to districts that have a high relative need for assistance as measured by the number and percent minority pupils in the district. However, we also found that ESAA grants have been insufficiently focused to districts with applications of high educational and programmatic merit, with high impact plans, or with high relative need for assistance as measured by characteristics related to plan implementation (e.g., recency) and to financial need. The program factors contributing to these results are outlined below.

Target: LEAs with Eligible Required or Non-Required Plans

ESAA grants have been received by less than one-half of the districts known to have had high reductions in minority isolation and subject to a court or agency order. Contributing factors have been:

- A large number of the potentially eligible districts with known high reductions in minority isolation have not applied for ESAA grants. Their decisions not to apply have been attributed to dislike for OCR compliance eligibility reviews. The ESAA program has also been perceived to be geared to districts with high numbers of minority pupils. Since these non-applicants are most distinguishable from grantees by their lower number of minority pupils, this perception may also have contributed to their decisions not to apply.

- The within-state competition and state apportionment formula are unrelated to the desegregation activity in each state. Most districts with required plans that have not received a grant are in the south and, therefore, if they applied for a grant they would have competed against other districts with required plans with similar comprehensiveness. The competition has rested on number and percent minority pupils and reduction in number of minority pupils in minority isolation. As a result, smaller districts have not received grants.

Plan eligibility criteria have been inconsistently applied. Contributing factors have been:

- According to the Act and Regulations, the Magnet School, University/Business Cooperation and Neutral Site categories of Special grants do not require that a district be implementing an eligible plan at the time of the grant.

- The eligibility of districts with non-required plans as determined by OCR has been subject to a degree of interpretation.

Target: LEAs without Discriminatory Practices with Respect to Students or Staff

Most applicants initially found to be in non-compliance with civil rights eligibility criteria have taken the necessary steps to comply and achieve ESAA eligibility.

- The review of compliance eligibility after application submittal has encouraged applicants selected for funding to correct compliance problems.

Target: LEAs Implementing a Plan With High Impact

ESAA grants have been insufficiently focused to districts with high plan impact as measured by reduction in minority isolation. Sixty percent of the districts which had a relatively high reduction in minority isolation prior to 1974 never received an ESAA grant. Many have never applied for factors described above. However, 40 percent of the districts in the north and west (14 percent nation-wide) that received a Basic grant in FY 77 did not reduce the number or percent of minority pupils in minority isolation to any degree. (See Chapter II).

Contributing program factors have been:

- The state apportionment formula as specified by the Act is unrelated to the number of districts in the state that are implementing eligible plans and unrelated to the impact of the plans. Sufficient funds have not been available for states with many districts with high impact plans.

- The within-state competition specified by the Act and Regulations has hindered the nation-wide selection of districts with high impact plans. Most districts in the north and west have implemented non-required plans with little plan impact; most districts in the south have implemented required plans with high impact. As a result of the within-state competition, districts with equivalent plan impact have competed with one another.

- The minimum score criterion for total application scores, specified by the Regulations, has not effectively eliminated applications with minimal plan impact or need. The minimum score criterion for Basic applications is relatively low compared to the other grant categories. Given the narrow distribution of quality scores near the quality score maximum, most applications can exceed the total score minimum on the basis of quality score points alone.

- Although the selection process has been competitive, almost all Basic and Pilot applications above the minimum score criteria have received grants.

- Threshold eligibility criteria, as specified by the Act and Regulations, do not fulfill any role in restricting applicants on the basis of plan impact.

ESAA grants may not have been focused to districts with high plan impact as measured by the extent of student reassignment. A contributing factor has been:

- The Act and Regulations recognize as an eligible plan, any plan implemented pursuant to a court or agency order, but do not recognize such a plan as having any impact if it requires student reassignment among schools in which (1) there was no minority isolation or (2) the reassignment only involves two or more minority groups, rather than minority and white groups.

Target: LEAs with High Relative Need

ESAA grants have been highly focused to districts with high relative need as measured by the combined stat score for the number and percent minority students in the districts. Almost 70 percent of the districts with over 10,000 minority pupils and over 43 percent minority pupils, or over 50,000 minority pupils and over 30 percent minority pupils have received at least one ESAA Basic, Pilot, Bilingual or Special grant in the period FY 73 to FY 77. Of the districts in this group which are known to have required plans, the award rate was 89 percent. The most distinguishing characteristic of grant recipients and non-recipients has been the combined score for number and percent minority pupils.

Contributing program factors have been:

- The stat score as specified by the Regulations includes as the only measure of relative need the combined score for number and percent minority pupils.
- The stat score has been the primary determinant of ranking applications for funding since the quality scores have been narrowly distributed in most states.

- The within-state competition has de-emphasized the influence of the measures of plan impact. Most applicants in the north and west have received few points for plan impact and therefore the measures of number and percent minority dominate.

- The minimum score criterion for total application scores has eliminated few applicants from the selection process.

- The state appropriation formula specified by the Act favors states with a high number of minority children.

- Pilot grant eligibility is specifically based on high number and percent of minority pupils.

ESAA grants have been focused to districts with high relative need as measured by high minority isolation, a measure suggested by the Act.

- Minority isolation is highly correlated with percent minority enrollment, a measure incorporated in the stat score. As just discussed, grants have been focused to districts with high percent minority enrollment.

ESAA grants, however, have been insufficiently focused to districts with high relative needs as measured by other criteria, such as recency. Two-thirds of the FY 77 Basic grants were awarded to LEAs that implemented an eligible plan prior to 1973. Most FY 77 grant recipients received their first ESAA grant in FY 73 and have received a grant every year since. Contributing program factors have been:

- The validity of the stat score has been hindered as a measure of the relative need that arises from the implementation of a plan since recently desegregating applicants have competed on an equal basis with applicants who implemented a plan over 5 years ago.

- The relatively few points allowed the Needs Assessment section in the quality score has hindered the importance of measures of need that cannot be incorporated into the stat score because the data are less uniformly available or the criteria are less objective. Among these criteria might be the continued need for assistance and the measures suggested in the Act: general financial need; deficiencies in the quality of public education; and the expense and difficulty of implementing the district's plan.

- The influence of the Needs Assessment section on the total score has been hindered further by all the program factors affecting the validity of the total quality score: narrow distribution, susceptibility to systematic bias, etc., as described below.

Target: LEAs With Applications of High Educational and Programmatic Merit

ESAA grants have not been particularly focused to LEAs with applications with high educational and programmatic merit. Contributing program factors have been:

- The quality score as a valid measure of programmatic merit has been hindered by the relatively low maximum point score allowed the Needs Assessment section of the application by the Regulations.

- The quality score as a valid measure of merit has been hindered by its susceptibility to systematic biases as a result of an inadequate rating form and differences in panel selection and training. These areas are governed by program administration guidelines.

- The narrow distribution of quality scores has not allowed the identification of applications with above average merit as measured by the quality scores. As a result, the quality score has not contributed to the selection of grants in many states; a competition based on stat score alone would have produced nearly the same results. This result is consistent with the view of the role of the quality score by EEOP officers. However, it is inconsistent with the administrative cost and time devoted to rating applications.

- The minimum quality score criterion has eliminated few applications (5 percent) from the grant competition since the quality scores have been narrowly distributed around the maximum point score.

FOOTNOTES

1. Federal Register, January 21, 1977.

2. P.L. 94-482, Title III, Part B. Sec. 321(c)(2).

3. 45 CFR 185.14(b).

4. 45 CFR 185.14; 185.24; 185.54.

5. 45 CFR 185.14(b)(1).

6. 45 CFR 185.54(b)(1).

7. One-way analysis of variance was performed for the 546 FY 77 Basic applicant scores by the 10 DHEW regions.

8. The year an applicant first received a grant was treated as a covariate.

9. 45 CFR 185.14(a)(2)(i).

10. U.S. General Accounting Office, Report HRD 78-36, January 20, 1978.

11. 45 CFR 185.14; 185.24; 185.54.

12. *Supra* note 10.

13. Private communication.

14. Suchman has used this phrase to define validity. Edward A. Suchman, *Evaluative Research*. Russell Sage Foundation (New York, 1967) p. 120.

15. The Spearman rank-order correlation coefficient was 0.94 (p is less than 0.001). If stat scores produced exactly the same ranking as total scores, the correlation coefficient would be 1.00. If exactly the opposite ranking resulted, the coefficient would be -1.0. In states that had more than 10 Basic grants, the rank-order correlation coefficients vary from 0.64 to 0.96. The median value is 0.86.

16. For the purposes of this analysis, we have not differentiated between funded and legal hold status, nor fiscal hold and fiscal-legal hold status. A funded district may be placed in a legal hold status in the

158

first and second cycles until it either achieves a waiver or is not funded in the final cycle. Similarly, for a district in fiscal hold, a legal hold designation only affects its funding in the final cycle.

17. ESAA program guidelines.

IV. ESAA PROGRAM OPERATIONS AND THE TARGETING OF GRANT FUNDS

Introduction

The potential effectiveness of the ESAA program can be enhanced by targeting not only grants, but also grant funds, to school districts judged to have the greatest desegregation-related needs or judged to have projects of educational merit. ESAA program operations, as specified by the Act, Regulations and guidelines, can affect the amount of the funds awarded each grant recipient. This chapter, therefore, addresses two questions:

- To what extent have ESAA funds been focused to grant recipients with the greatest desegregation-related needs with projects of exceptional merit?

- To what extent have program operations influenced the targeting of grant funds?

In order to answer the first question, we present in Section IV.A the results of analyses which examine the association between the amount of funds awarded a grant recipient and the measures of need and quality discussed in the previous chapters. There are no explicit connections in the Act, Regulations or guidelines between grant funds and the quality score, stat score, or stat score components. However, if the targeting of grant funds were to be accomplished by awarding proportionately more funds to eligible applicants with greater needs or merit, these are the measures available within the ESAA fund allocation process. The analyses thus investigated whether grant recipients with higher quality scores, stat scores or stat score components received greater funds per grant. We also examined the effects of enrollment size on funds per grant.

The analyses presented in Section IV.B relate to the second question. They focus on only one of the two processes that can affect the amount of funds received by a grant recipient: the application review and fund allocation process. The second process, pre-application information dissemination and technical assistance, potentially can influence the amount of funds requested by each applicant. As indicated in Chapter III, however, this process appears to be explicitly neutral with respect to the targeting of grants and funds.

To place the discussion of targeting of funds in context, we digress briefly to present some reference statistics concerning ESAA grant funds. Tables 4.1 and 4.2 show that the funds awarded grant recipients differ considerably. A majority of Basic grants in any fiscal year are under $200,000. However, many grant awards exceed $1 million; the maximum award was $4.9 million to New York City in FY 75. The distribution of funds per grant has remained relatively constant over the 5 years of the program. (Table 4.1). The distributions for other grant categories differ somewhat from the Basic grants. For example, there are relatively fewer Bilingual awards under $100,000 and relatively more Special awards over $1 million. Emergency Special grants, one class of Special grants, have been used to fund recently desegregating center-city districts and have, on the average, been for larger dollar amounts.

TABLE 4.1

PERCENT OF ESAA BASIC GRANT RECIPIENTS AWARDED GRANTS OF DIFFERENT DOLLAR AMOUNTS BY FISCAL YEAR

	FY 73	FY 74	FY 75	FY 76	FY 77	All Years[b]
0-100K[a]	30.1%	32.3%	22.6%	28.8%	26.9%	15.9%
100K-200K	30.8	30.4	27.8	29.1	30.2	13.4
200K-300K	15.2	11.2	17.3	13.2	11.8	11.7
300K-400K	6.8	7.2	7.1	8.1	8.4	7.2
400K-500K	6.4	5.4	7.1	4.7	8.4	7.4
500K-1000K	7.1	8.2	9.2	11.8	10.5	15.4
GT 1000K	3.7	5.1	8.9	4.3	6.0	24.7
Total Dollars (in millions)	117.7	155.9	135.4	138.3	132.4	681.6
Total Grants	455	569	381	468	432	766
Average Dollars Per Grant (in thousands)	258.6	274.0	355.4	299.2	307.1	889.8

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[a] 1K = 1000

[b] Distribution of total grant amounts awarded districts receiving a grant in one or more years.

TABLE 4.2

PERCENT OF FY 77 ESAA GRANT RECIPIENTS AWARDED GRANTS OF DIFFERENT DOLLAR AMOUNTS BY GRANT CATEGORY

	All Types	Basic	Pilot	Bilingual	Special
0-100K[a]	29.3%	26.9%	43.8%	9.1%	38.0%
100K-200K	27.0	30.2	21.6	36.4	23.1
200K-300K	10.2	11.8	14.8	18.2	8.3
300K-400K	8.1	8.4	9.3	9.1	3.7
400K-500K	8.1	8.4	3.1	4.5	8.3
500K-1000K	8.4	10.5	6.1	18.1	8.4
GT 1000K	8.6	6.0	1.2	4.5	10.2
Total Dollars (in millions)	217.3	132.4	32.2	8.0	44.7
Total Grants	566	432	162	22	121
Average Dollar Per Grant (in thousands)	383.9	307.1	198.8	365.0	369.4

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[a] 1K = 1000

IV.A. Targeting of ESAA Grant Funds

The relative proportions of grants and funds awarded to districts with higher quality or stat scores are simple indicators of whether funds have been more focused than grants on these districts. In this section we investigate these relative proportions versus scores for the application components for FY 77 Basic grant recipients. Realizing that the number of students in a district might be an important factor in the dollar amount of a grant independently of the application scores, we also investigated the correlation of grant funds with grant recipient characteristics controlling for minority enrollment. Ideally, we would have liked to have examined the funds awarded per participant for recipients with different scores. However, there are no valid participant data available within ESAA program files. ESAA applications contain only gross numbers of proposed participants. Not only are proposed participants considerably different from actual participants, but also these data give no indication of whether "participant" means 25 minutes per day every school day, or 1 hour per day for 1 week in the entire year.

Target: Receipients with High Stat Scores and Stat Score Components

Figure 4.1 compares the distribution of funds and grants by total stat score points for FY 77 Basic grant recipients. We observe that grant recipients with higher stat scores have generally received more funds per grant. Since the total application score is also highly correlated with stat scores (r = 0.44), the pattern of funds versus total application scores is similar to that displayed in Figure 4.1.

We have also found in comparing the distribution of grants and funds versus stat score components for FY 77 Basic grant recipients that:

- recipients with high scores for reduction in minority isolation received on the average the same funds per grant as recipients with low reduction in minority isolation, but

- recipients with a high total score for number and percent minority pupils have received on the average more funds per grant (Figure 4.2).

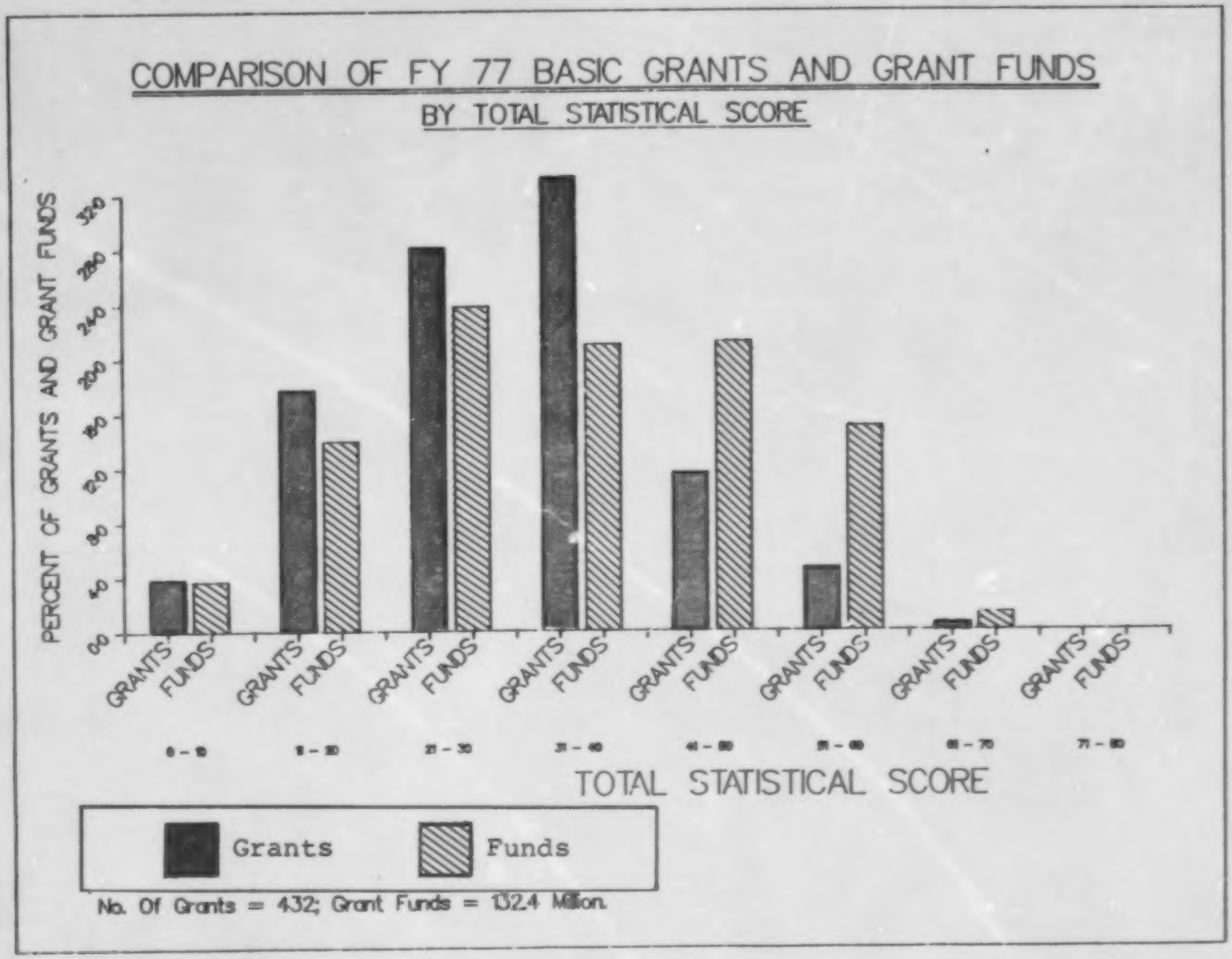
FY 77 Basic grant funds were found to be distributed in almost the same manner as grants (see grant distribution in Figure 2.7). The simple correlation between grant funds and the total reduction score was also near zero. This indicates that funds were no more, nor no less, associated with the combined stat score measure relating to reduction in minority isolation than were grants.

We find, however, that for the two components separately, funds are positively correlated with the number of minority students whose isolation has been reduced (r = 0.49), but negatively correlated with the percent of minority students whose isolation has been reduced. In other words, districts with high scores on the first component are on the average receiving more funds per grant, but recipients with more comprehensive plans, the second component, are receiving less funds. Nationally, the net effect is no association with reduction in minority isolation.

However, the distributions of grant funds also indicate that substantial proportions of grant funds, like grants, are awarded applicants with no net reduction in minority isolation. Twenty percent of all Basic grant funds, 40 percent of Basic grant funds in the north and west, and 60 percent of all Pilot grant funds were awarded to recipients with no net reduction in minority isolation according to the stat score measures.

The finding that grant recipients with high stat scores for number and percent minority enrollment receive more funds per grant (Figure 4.2) can be attributed to the not-too-suprising result that grant recipients with more minority students are receiving more funds per grant. This is shown in Figure 4.3. Figure 4.4 shows that grant funds are not focused by percent minority enrollment. Also, Figure 4.5 demonstrates that FY 77 Basic grant funds are, as expected, not only highly associated with minority enrollment, but also total enrollment. In fact, for Basic grant recipients, minority enrollment and total enrollment are highly correlated (r = 0.91). Simply put, large districts receive more funds than small districts.

FIGURE 4.1

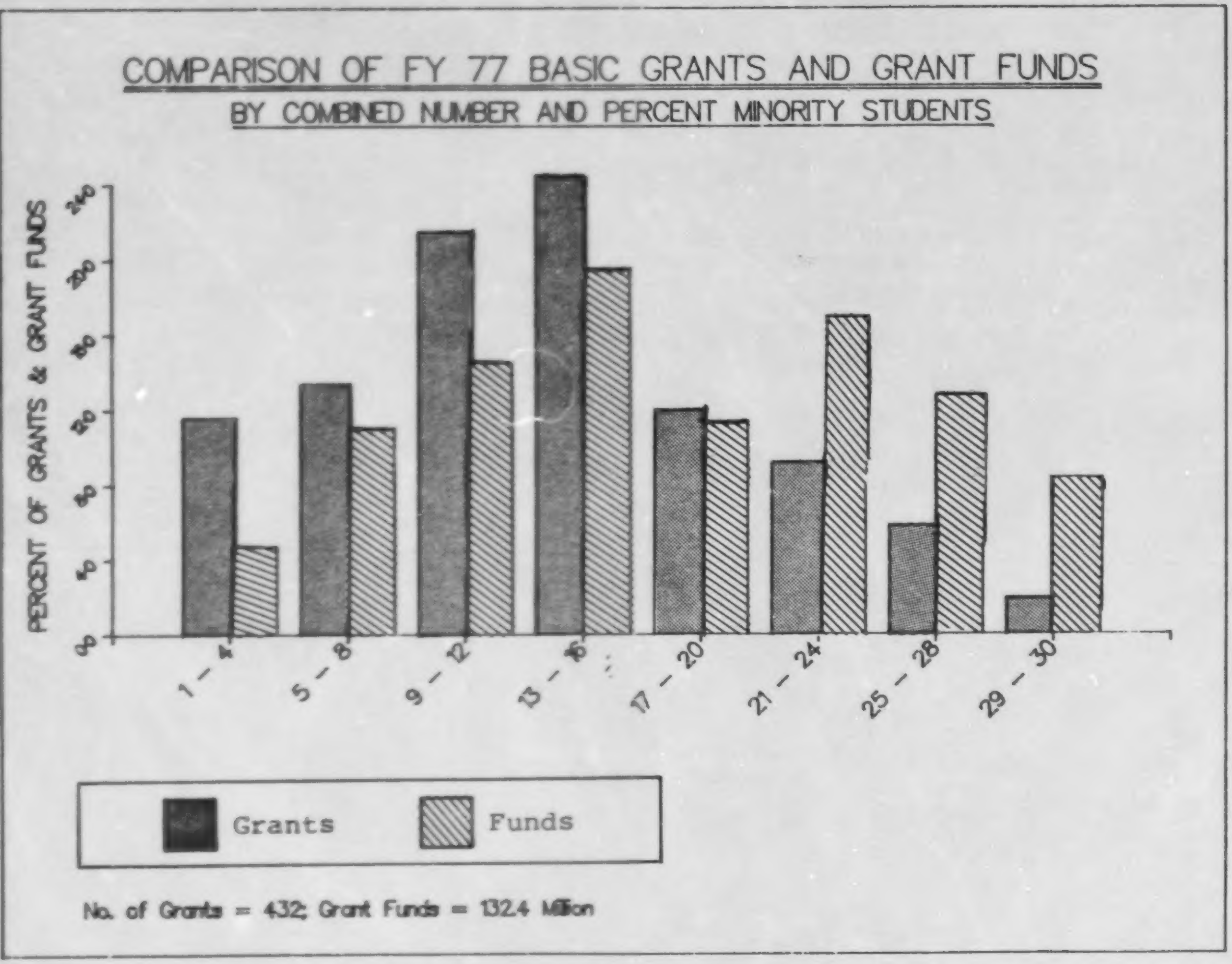


COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS

BY TOTAL STATISTICAL SCORE

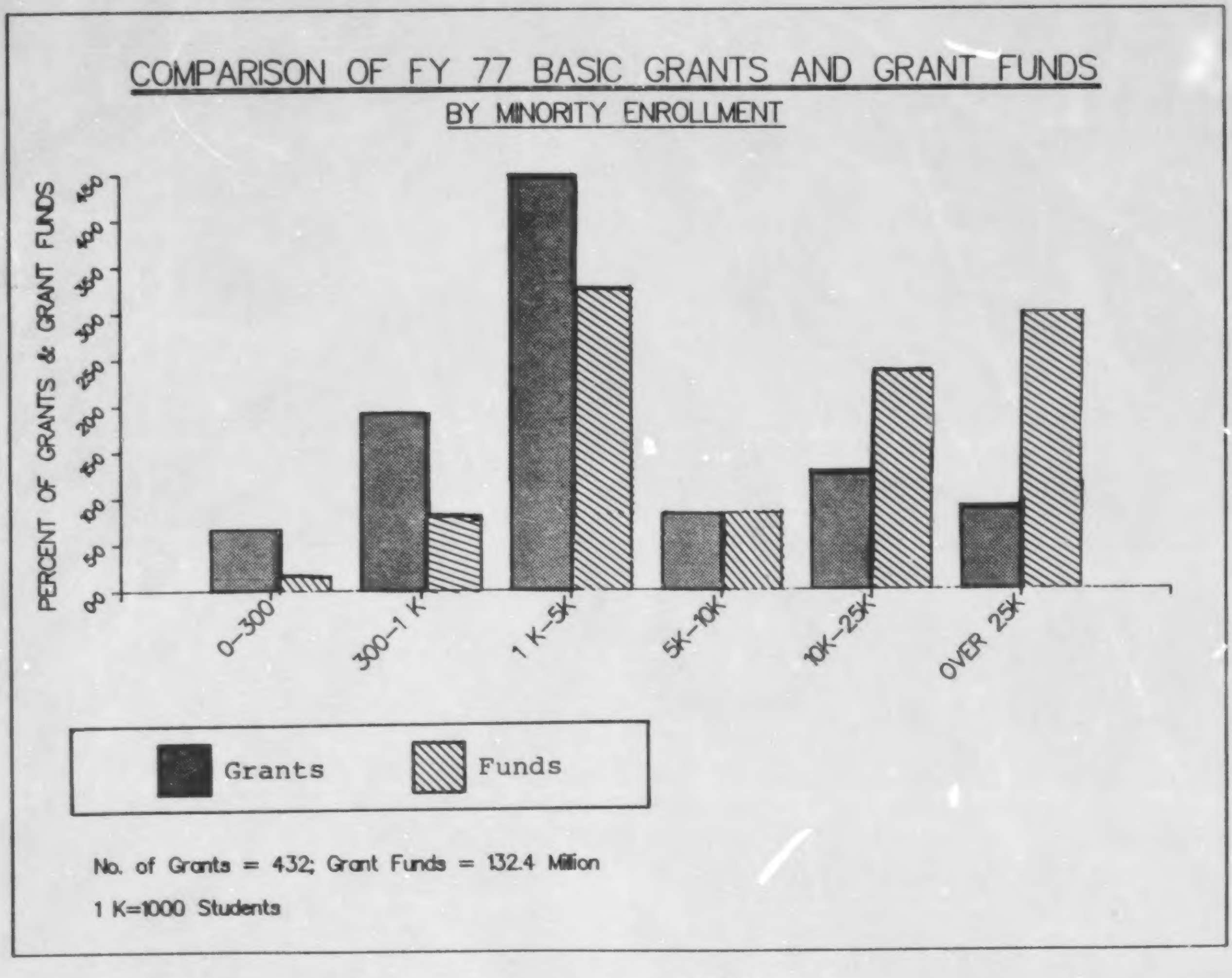
No. Of Grants = 432; Grant Funds = 132.4 Million.

FIGURE 4.2


COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS BY COMBINED NUMBER AND PERCENT MINORITY STUDENTS

No. of Grants = 432; Grant Funds = 132.4 Million

FIGURE 4.3

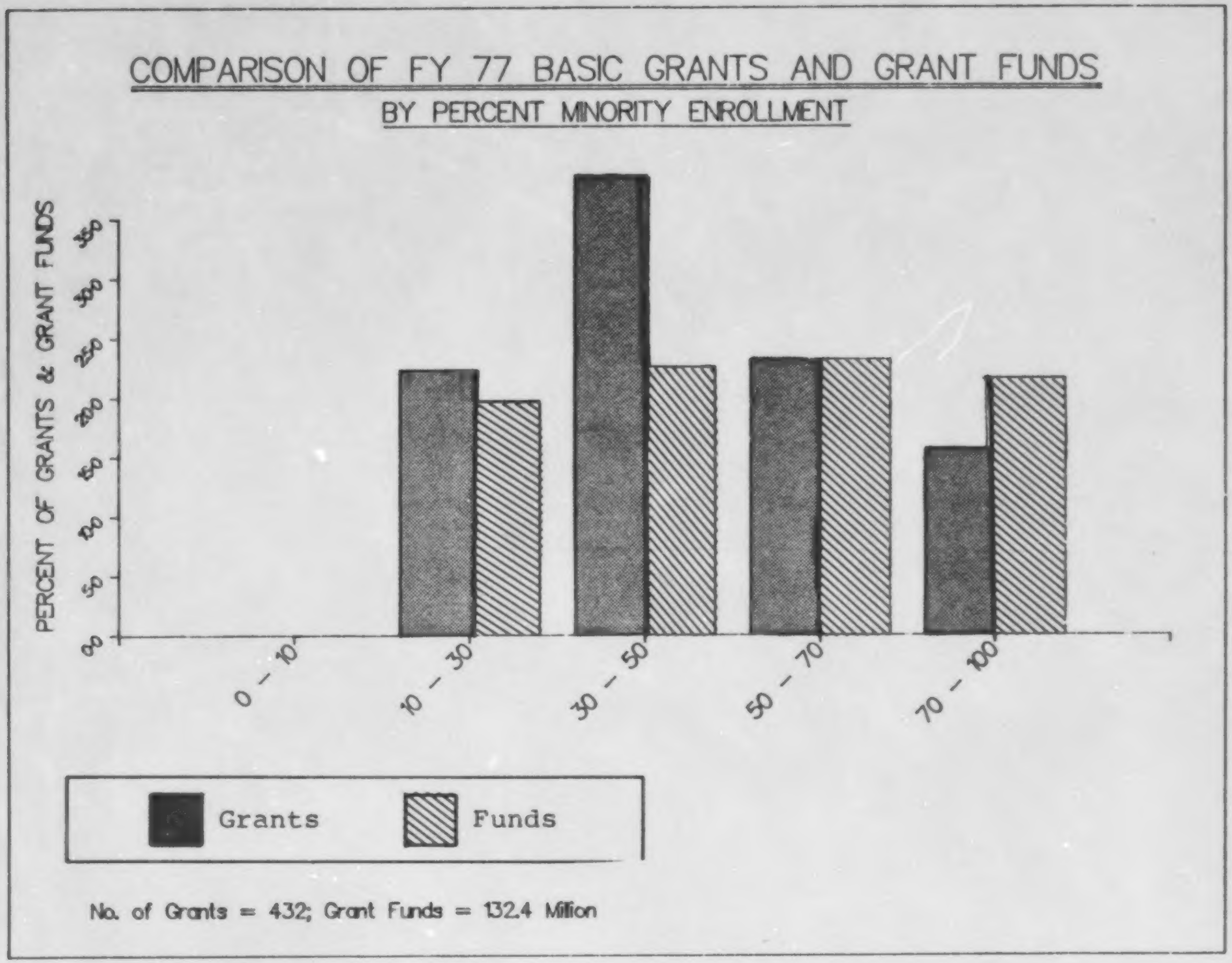


COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS
BY MINORITY ENROLLMENT

No. of Grants = 432; Grant Funds = 132.4 Million

1 K=1000 Students

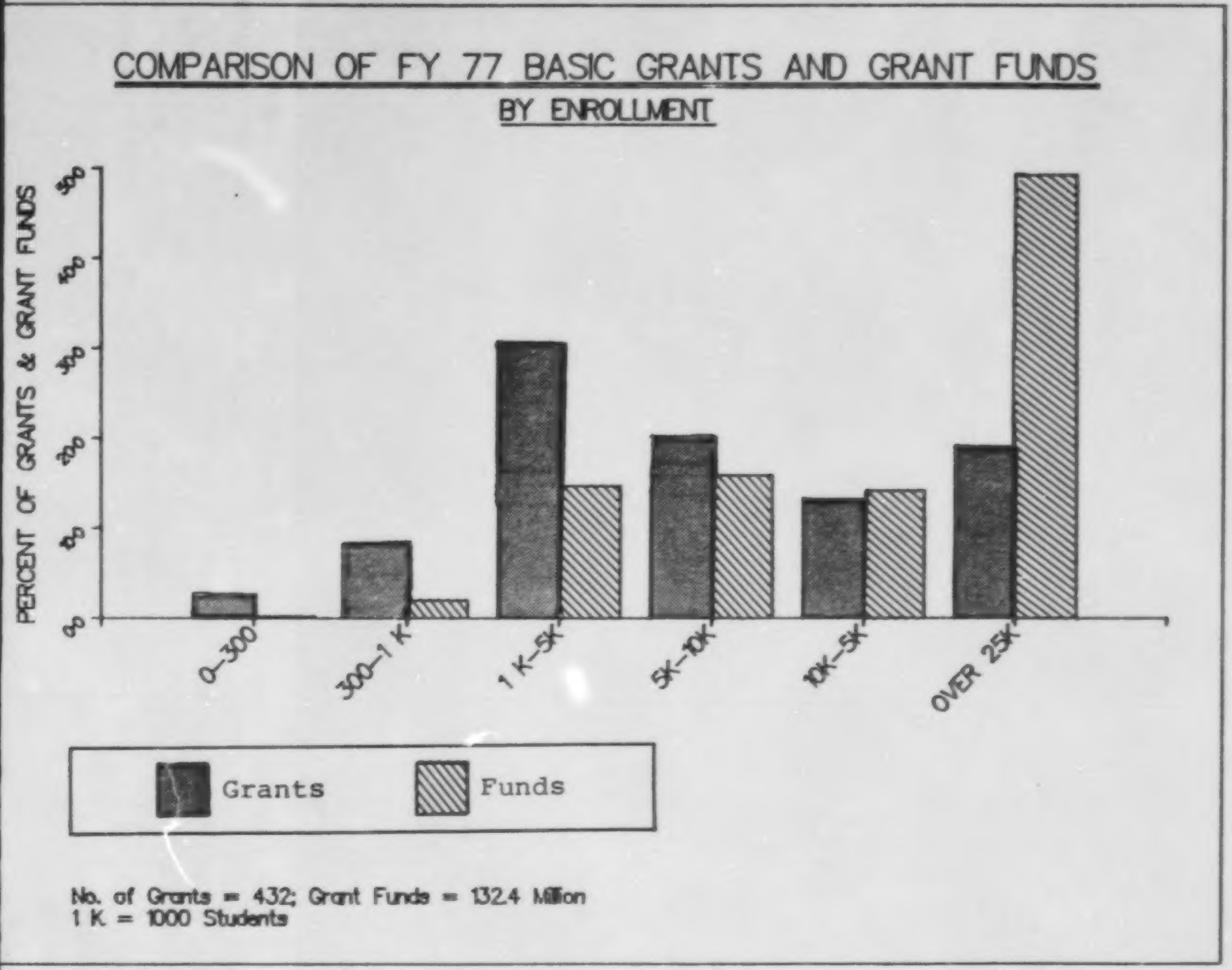
FIGURE 4.4



COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS
BY PERCENT MINORITY ENROLLMENT

No. of Grants = 432; Grant Funds = 132.4 Million

FIGURE 4.5



COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS

BY ENROLLMENT

No. of Grants = 432; Grant Funds = 132.4 Million
1 K = 1000 Students

Target: Recipients with Projects of High Merit

As discussed in the last chapter, the application quality score is the only available measure of the educational and programmatic merit of ESAA projects. Table 4.3 demonstrates that, on the average, *less* FY 77 Basic funds were awarded recipients with very *high* quality scores than recipients with lower scores. In other words, Basic grant funds are negatively correlated with quality score. Given the validity and reliability problems of the quality score identified in the previous chapter, this result need not have negative implications for the ESAA fund allocation process.

Controlling for District Size

Given the results concerning enrollment, a question that arises is whether other characteristics, such as reduction in the number of minority isolated students, are sufficiently correlated with enrollment such that the focusing observed is really a consequence of enrollment, rather than reduction in minority isolation. If the effects of enrollment size could be controlled, would one find that for districts of comparable size, more funds are awarded districts with greater reduction in the number of minority isolated students?

In order to examine this question and the focusing of grant funds to districts with the preferred characteristics independently of enrollment size, we calculated correlation coefficients controlled for the effects of minority enrollment. The results of these analyses would enable one to say, for example, "independent of minority enrollment, recipients with low reduction in minority isolation received less funds on the average than other recipients."

The partial correlation coefficients for all impact and need variables are shown in Table 4.4. Also shown are the simple correlation coefficients not controlled for enrollment. The table includes coefficients not only for the application score components, but for all the measures of the preferred characteristics discussed in the previous chapters.

TABLE 4.3

COMPARISON OF FY 77 BASIC GRANTS AND GRANT FUNDS BY APPLICATION QUALITY SCORE

Quality Score (Points)	Grants (Percent)	Funds (Percent)
28-30	2.3	5.0
31-34	10.6	13.2
35-40	22.5	26.0
41-45	64.6	55.7
Total	100.0%	100.0%
	(432 grants)	($132.4 million)

TABLE 4.4

CORRELATION OF GRANT FUNDS WITH CHARACTERISTICS FOR FY 77 BASIC GRANT RECIPIENTS

Characteristics	Simple Correlation Coefficient	Partial Correlation Coefficient[a]
Impact		
Reduction in minority isolation (1968-1972)...	-0.19	--
Reduction in racial imbalance (1968-1972)...	-0.19	--
Combined score net reduction in minority isolation (1977)........	--	--
Effective reduction in number of minority isolated students (1977).	0.42	0.23
Effective reduction in percent of minority students who are isolated (1977).........	-0.29	-0.13
Need		
Minority enrollment......	0.71	NA
Percent minority enrollment..............	0.12	--
Combined stat score for number and percent minority................	0.46	--
Minority isolation (1974).	0.29	--
Racial imbalance (1974)...	0.48	0.18
Recency[b]...............	-0.13	-0.14
Other		
Quality score............	-0.15	--
Total stat score.........	0.30	--
Total score..............	0.24	--
Region (North & West vs. South)..............	-0.23	-0.27

---

a/ Correlation of funds with characteristic controlled for minority enrollment. Significance level is 1/100.

b/ Recency is defined as (1978- year of plan implementation), thus, recency has a lower value for more recently implemented plans. A negative correlation coefficient therefore, indicates less funds are associated with less recently implemented plans.

When the effects of enrollment are controlled, we find that grant funds are no longer on the average related to percent minority enrollment, stat score or total score. The results indicate that FY 77 Basic grant funds were, on a national scale, primarily a function of five measures other than enrollment size. Independent of enrollment size, *more* funds were awarded, on the average, to recipients with:

- a *high* score for the number of minority students whose isolation has been reduced;
- a *more recently* implemented plan;
- a *high* racial imbalance;
- location in the north and west; and
- a *low* score for the percent of minority students whose isolation has been reduced.

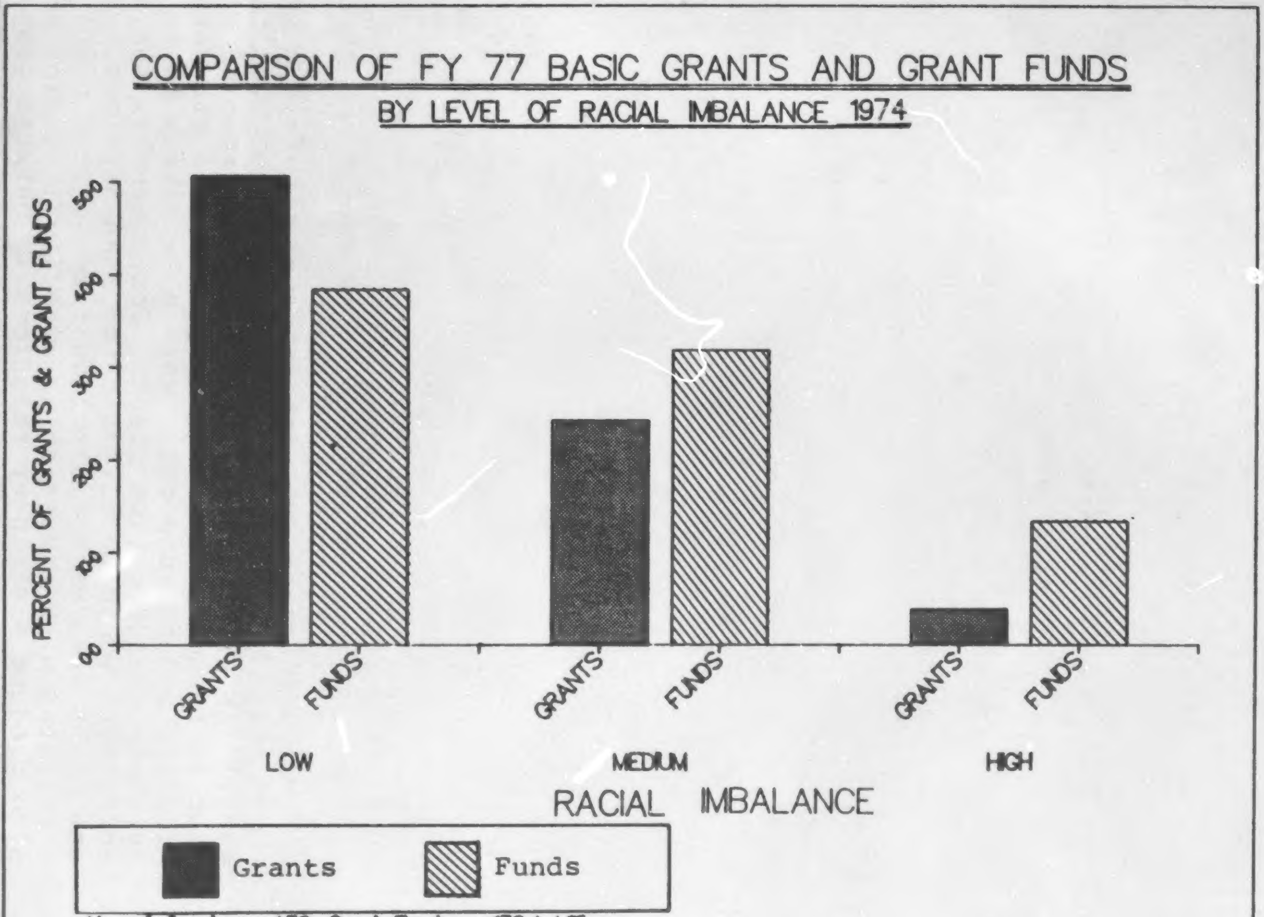
The distributions of grants and funds for racial imbalance and plan recency, uncontrolled for enrollment, are shown in Figures 4.6 and 4.7.

As a result of the strong variation with region, separate analyses of the partial correlation coefficients were performed for grant recipients only in the north and west, and only in the border states and the south. The partial coefficients are shown in Table 4.5 for the major application measures.

The separate results demonstrate that recency and percent minority distinguish the characteristics of grant recipients in these regions. Since most grant recipients in the south were formerly dual school systems, they obtain a high score for the percent of their minority students whose isolation has been reduced. Also, grant recipients in the south tend to have less recent plans.

The size of an ESAA Basic grant is more highly related to minority enrollment in the south than the north and west.[1] At first glance, this might be expected given that in formerly dual school systems, all students, minority and non-minority, were more likely to be affected by their desegregation plans. Consequently, the total enrollment would be eligible for ESAA services. However, one might also expect enrollment to be more highly correlated with reduction in minority isolation and thus also produce a stronger relationship between grant funds

FIGURE 4.6

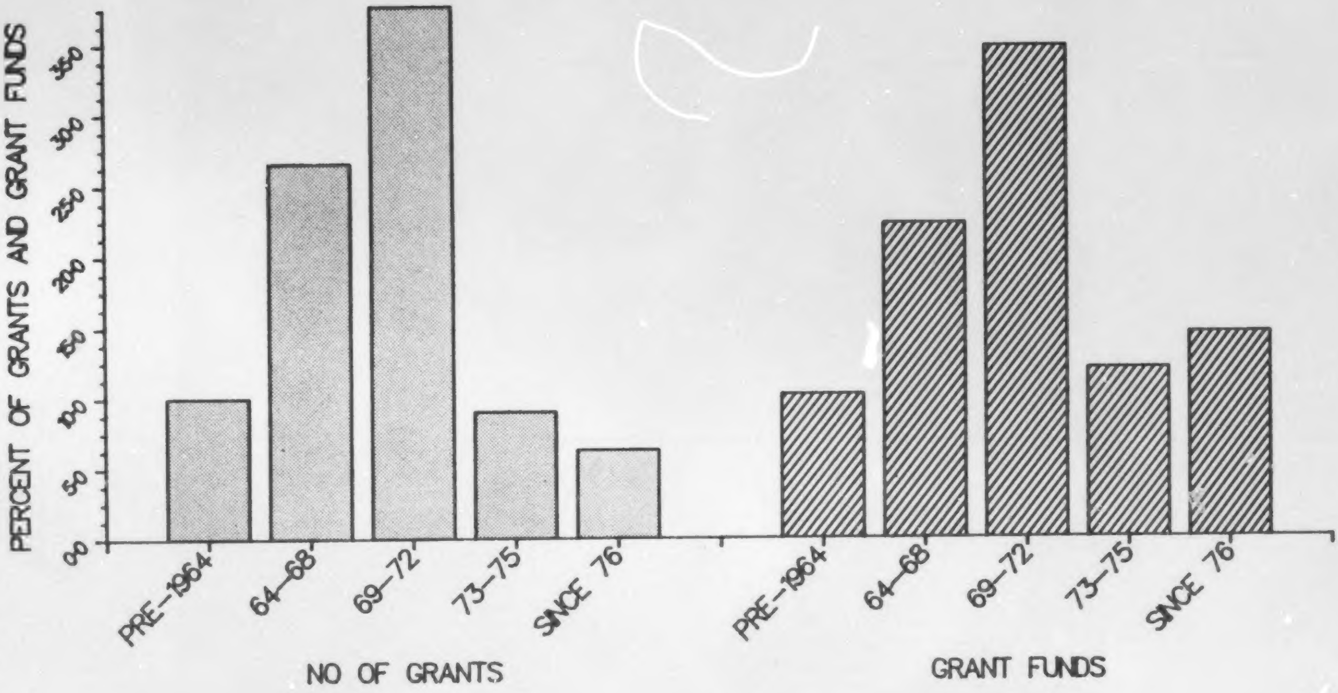


No. of Grants = 432; Grant Funds = 132.4 Million
No data for 91 grants (22 million dollars) were available.

FIGURE 4.7

COMPARISON OF FY 77 ESAA BASIC GRANTS AND GRANT FUNDS

BY YEAR OF PLAN IMPLEMENTATION



No. of Grants = 432; Grant Funds = 132.4 Million

TABLE 4.5

CORRELATION OF FY 77 BASIC GRANT FUNDS WITH GRANT RECIPIENT CHARACTERISTICS CORRECTED FOR MINORITY ENROLLMENT

Grant Recipient Characteristic	Partial Correlation Coefficient		
	All Grants	North and West Only	Border and South Only
Effective number of minority students whose isolation has been reduced.............	0.23	0.41	0.48
Effective percent of minority students whose isolation has been reduced[b]...........	-0.13	--	--
Percent minority enrollment...	--	--	-0.15[a]
Recency[c].....................	-0.14	--	--
Quality score[b]...............	--	--	--

NOTE: All data were obtained from FY 77 Basic grant application forms and scoring forms. All coefficients are statistically significant at the 0.001 level, i.e., the probability of the indicated correlation resulting from chance is less than 1/1000, except as noted. The partial correlation coefficients not listed are not statistically distinguishable from zero.

[a] Significance level is 0.01.

[b] Application point scores.

[c] Recency is defined as (1978 - year of plan implementation), thus, recency has a lower value for more recently implemented plans. A negative correlation coefficient, therefore, indicates less funds are associated with less recently implemented plans.

177

and the effective reduction in minority isolation. According to district application data, however, the number of students in schools affected by the desegregation plans are highly correlated with enrollment (r = 0.98) and only moderately correlated with reduction in the number of minority students whose isolation has been reduced (r = 0.56). These results further confirm a finding of the last chapter that the stat score components relating to reduction in minority isolation do not necessarily measure the number of children in schools affected by the desegregation plan. The Cottonwood example in Chapter III illustrated that desegregation is not always accompanied by high effective reduction in minority isolation, as defined by the Act.

To summarize the results relating to the targeting of grant funds, we find for FY 77 Basic grants that funds are primarily associated with:

- minority (or total) enrollment;
- region (north and west vs. south); and
- effective number of minority students whose isolation has been reduced (a stat score measure).

In the border states and the south, there is a stronger relationship between minority enrollment and grant funds than in the north and west. On a national scale, grant funds are also slightly focused on recipients with more recent plans and inversely related to the comprehensiveness of a plan, i.e., the effective net reduction in the percent of minority students that are isolated.

The positive relationship of funds with reduction in number and negative relationship with reduction in percent minority isolation cancel one another on a national scale so that grant funds are unrelated to the combined stat score for net reduction in minority isolation. This, however, is solely a consequence of grouping recipients together on a national scale. These findings further confirm the regional variations in the targeting of ESAA grants and funds.

If grant funds were perfectly correlated with enrollment and/or other counts of pupils, it would indicate that grant funds could have been distributed on a per pupil basis. One hundred percent of the variation in grant funds among recipients would be accounted for. While this is not the case here, we have found that 72 percent of the variation in grant funds among recipients in the south, and 51 percent of the variation in the north and west, could be accounted for by the minority enrollment and the number of minority students whose isolation has been reduced.[2]

IV.B. The Influence of Program Operations on the Targeting of Grant Funds

Within the application review and fund allocation process, the funds awarded each grant recipient depend primarily on the available appropriations and the administrative review of each applicant's proposed project budget. The fraction of the total ESAA appropriation available to each of the ESAA grant categories is fixed by the Act.[3] Within the Basic, Pilot and NPO grant categories the national appropriation is also divided and appropriated to each of the states, as described in the last chapter. In this section, we examine the influence of this appropriation formula and the administrative budget review on the amount of funds awarded grant recipients.

State Apportionment Formula

A state apportionment formula can assist in the targeting of grant funds, at least to the state level, if the formula used to apportion the funds is a valid measure of relative need. Under the current statutory formula each state is apportioned an amount that is a function of the number of minority children in the state.[4]

This formula has not focused funds to states with the greatest requests and needs for grant funds. Significant redistribution occurs each year from states in which LEAs do not request the states' full apportionment to states in which requests for funds exceed the state apportionment. While the redistribution process corrects many distribution problems, many state apportionments even after redistribution are insufficient to fulfill the requests of newly desegregating center city districts.

In FY 77, six states had no applicants fulfilling minimum requirements for an ESAA Basic grant. As a result, 100 percent of these states' Basic grant apportionments were redistributed. The change in each state's Basic funds as a result of reapportionment ranges from a 100 percent loss to a 21 percent gain (see Table 4.6). Nationally, 9.3 million or 6.8 percent of the total FY 77 Basic appropriation was redistributed. A similar redistribution occurred in FY 76. States gaining funds tend to be located in the south where requests exceed funds; states losing funds tend to be in the northeast and west (see Table 4.7).

TABLE 4.6

DISTRIBUTION OF FY 77 ESAA BASIC GRANTS AND GRANT FUNDS BY STATE AND COMPARISON WITH STATE APPROPRIATIONS

State	Number of Basic Grants	Percent of Basic Grants	Basic Grant Allocations		Change from Appropriation to Allocation	
			In $ thou.	In percent	In $ thou.	In percent
Total U.S.	432	100.0	132576	100.0		
Alabama.............	27	6.3	4583	3.5	561	14
Alaska..............	2	0.5	281	0.2	-82	-23
Arizona.............	3	0.7	1536	1.2	-102	-6
Arkansas............	15	3.5	1816	1.4	-206	-10
California..........	35	8.1	15884	12.0	-2005	-11
Colorado............	3	0.7	1511	1.1	93	7
Connecticut.........	7	1.6	1160	0.9	21	2
Delaware............	2	0.5	429	0.3	20	5
District of Columbia	1	0.2	1991	1.5	0	0
Florida.............	10	2.3	5978	4.5	316	6
Georgia.............	28	6.5	5412	4.1	286	6
Hawaii..............	1	0.2	1742	1.3	0	0
Idaho...............	0	0	0	0	-181	-100
Illinois............	16	3.7	5832	4.4	-1579	-21
Indiana.............	3	0.7	1679	1.3	-148	-8
Iowa................	1	0.2	110	0.1	-150	-58
Kansas..............	3	0.7	702	0.5	23	3
Kentucky............	8	1.9	1127	0.8	144	15
Louisiana...........	25	5.8	5560	4.2	653	13
Maine...............	0	0	0	0	-82	-100
Maryland............	3	0.7	2070	1.6	-1016	-33
Massachusetts.......	1	0.2	1301	1.0	227	21
Michigan............	7	1.6	5231	3.9	666	15
Minnesota...........	2	0.5	476	0.4	78	20
Mississippi.........	18	4.2	4134	3.1	276	7
Missouri............	2	0.5	2477	1.9	351	17
Montana.............	4	0.9	204	0.2	-23	-10
Nebraska............	1	0.2	388	0.3	64	20
Nevada..............	0	0	0	0	-282	-100
New Hampshire.......	0	0	0	0	-74	-100
New Jersey..........	10	2.3	4132	3.1	-139	-3
New Mexico..........	9	2.1	1209	0.9	-782	-39
New York............	10	2.3	9111	6.9	-4075	-31
North Carolina......	10	2.3	6168	4.7	1075	21
North Dakota........	3	0.7	150	0.1	0	0
Ohio................	5	1.2	4598	3.5	280	6
Oklahoma............	14	3.2	1231	0.9	-70	-5
Oregon..............	0	0	0	0	-364	-100
Pennsylvania........	8	1.9	1921	1.4	-2384	-55
Rhode Island........	1	0.2	93	0.1	-91	-50
South Carolina......	17	3.9	4432	3.3	773	21
South Dakota........	3	0.7	219	0.2	-13	-6
Tennessee...........	9	2.1	2783	2.1	106	4
Texas...............	77	17.8	16588	12.5	2827	21
Utah................	1	0.2	254	0.2	-72	-22
Vermont.............	0	0	0	0	-74	-100
Virginia............	17	3.9	3934	3.0	248	7
Washington..........	1	0.2	590	0.4	-296	-33
West Virginia.......	4	0.9	355	0.3	24	7
Wisconsin...........	2	0.5	1068	0.8	175	20
Wyoming.............	3	0.7	127	0.1	-16	-11

TABLE 4.7

REAPPORTIONMENT OF FY 77 ESAA BASIC FUNDS TO STATES BY DHEW REGION

DHEW Region[a]	Basic Allocation to States in Region	Basic Appropriation to States in Region	Change from Appropriation to Allocation	
			In $ thou.	In percent
I............	2,553,436	2,625,547	-72,111	-2.7
II...........	13,243,004	17,457,848	-4,214,844[b]	-24.1
III..........	10,699,953	13,808,967	-3,109,014	-22.5
IV...........	34,616,565	31,081,185	3,535,380	11.4
V............	18,885,323	19,414,018	-528,695	-2.7
VI...........	26,403,113	23,597,506	2,805,607	11.9
VII..........	3,676,952	3,388,723	288,229	8.5
VIII.........	2,466,135	2,498,383	-32,248	-1.3
IX...........	19,162,226	21,934,296	-2,772,070	-12.6
X............	870,808	1,793,527	-922,719	-51.4

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[a] Region I: CT, ME, MA, NH, RI, VT.
Region II: NJ, NY.
Region III: DE, DC, MD, PA, VA, WV.
Region IV: AL, FL, GA, KY, MS, NC, SC, TN.
Region V: IL, IN, MI, MN, OH, WI.
Region VI: AR, LA, NM, OK, TX.
Region VII: IA, KS, MO, NE.
Region VIII: CO, MT, ND, SD, UT, WY.
Region IX: AZ, CA, HI, NV.
Region X: AK, ID, OR, WA.

[b] The amount $1,673,567 was placed in reserve for the New York City Board of Education.

The redistribution is greater for the Pilot grant category, in which eligibility criteria require applicants to have greater than 15,000 minority pupils or greater than 50 percent minority enrollment. The state apportionment formula is less related to this eligibility requirement. In FY 77, 12 states had 100 percent of their apportionments redistributed because there were no Pilot grant applicants. Nine of these 12 had no districts with over 15,000 minority pupils or 50 percent minority enrollment.

The current state apportionment formula was not able to provide the funds for newly desegregating, large urban school districts. For example, Boston and Omaha not only absorbed 100 percent of their respective state's FY 77 apportionment, but also received Special grants exceeding their Basic grants. A similar situation occurs for the combined grants for Minneapolis and St. Paul. Other desegregating urban areas absorb over 50 percent of their state's apportionment (see Table 4.8).

ESAA Special grants are not subject to the state apportionment formula, and have been used in the past 2 years to overcome some of the inadequacies in the state apportionment of Basic and Pilot funds. In six states, the Special grant program enabled one or two desegregating urban districts to receive a total amount of ESAA funds in excess of their state's Basic apportionment and, in some cases, even in excess of their total state apportionment for Basic, Pilot and NPO grants. (see Table 4.8).

ESAA Special grants tended to be focused on large urban and recently desegregating school districts (see Figures 4.8 and 4.9). In FY 77, 24 percent of the ESAA Special grants and 39 percent of the Special grant funds to LEAs were awarded to LEAs implementing a plan after 1975. By contrast, only 6 percent of the Basic grants and 16 percent of Basic grant funds were awarded to districts implementing a desegregation plan after 1975.

TABLE 4.8

Comparison of State Apportionment for Basic Grants to FY 77 ESAA Basic and Special Grants for Several Central City School Districts

School District	State Apportionment for Basic Grants[a]	FY 77 Basic Grant[a]	Basic Grant as a percent of Apportionments	FY 77 ESAA Special Grant[a]	Special Grant as percent of Apportionments
	-----$-----	---$----	----%----	----$----	----%----
Des Moines, IA.........	159	-	0	212	82
Louisville-Jefferson, KY...................	983	478	49	1,426	145
Boston, MA.............	1,074	1,300	100[b]	2,900	270
Detroit, MI............	4,565	3,051	69	3,300	72
Minneapolis, MN........	399	358	75	180	45
St. Paul, MN...........		118	25	628	157
Omaha, NE..............	324	388	100[b]	522	161
Seattle, WA............	886	590	66	922	104
Milwaukee, WI..........	893	521	58	2,800	313

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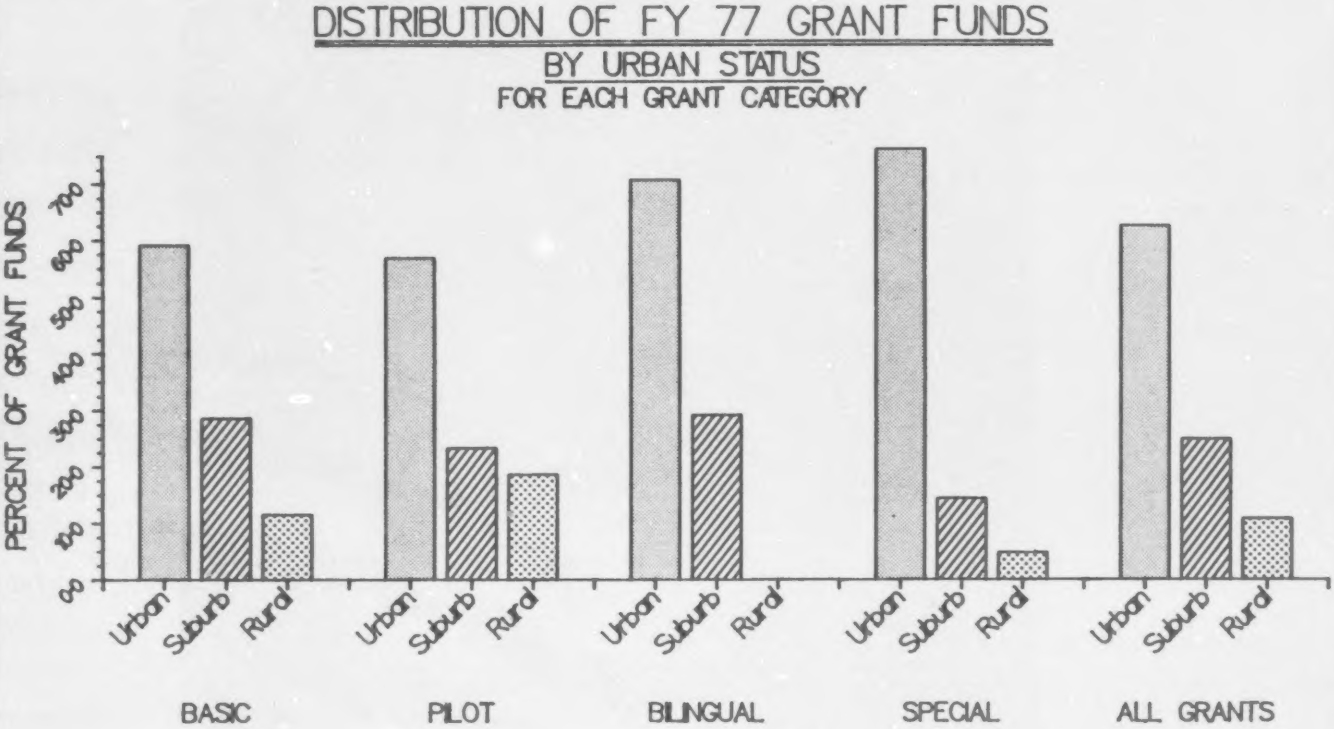
[a] All dollar figures are in units of $1000 dollars.

[b] After reapportionment.

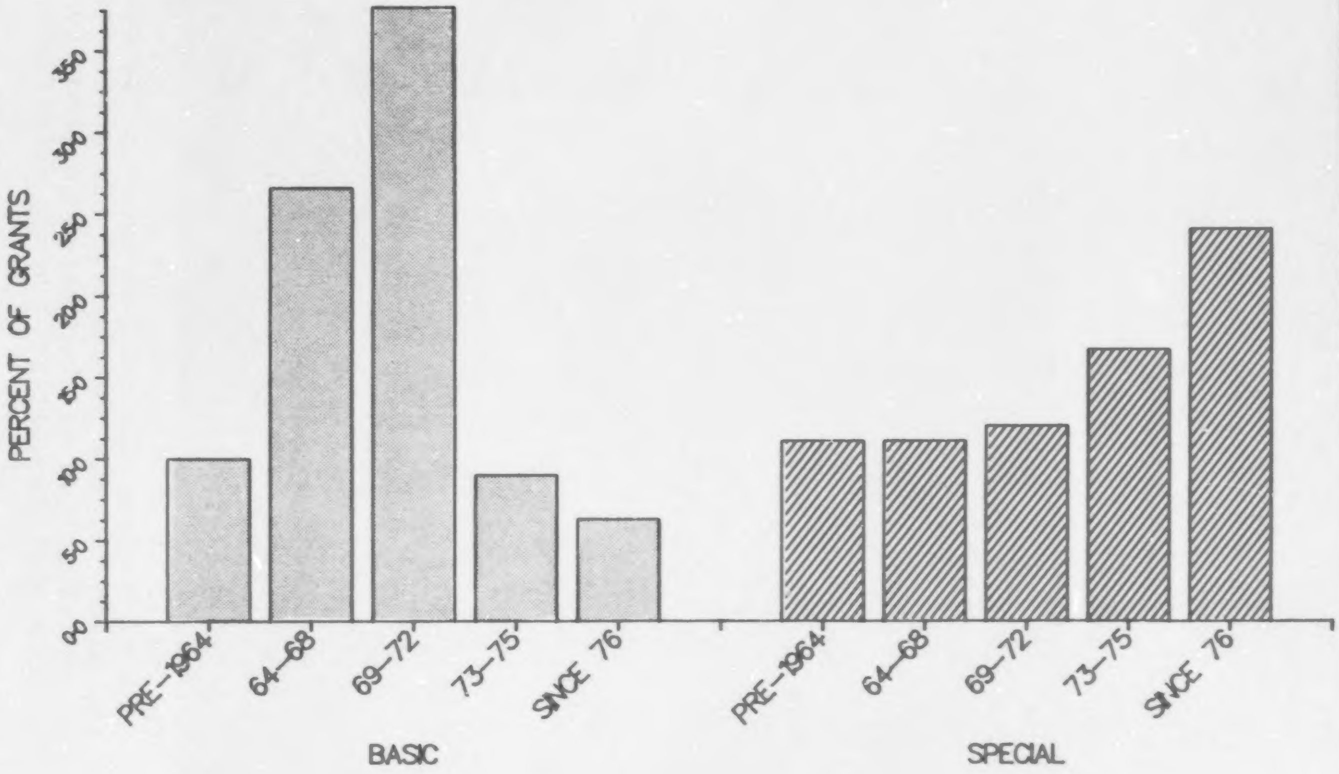
FIGURE 4.8



FY 77 Grant Funds: Basic= 132.6 Million; Pilot= 32 Million;
Bilingual = 8 Million;
Special = 44.7 Million
All Grants = 217.5 Million

FIGURE 4.9

COMPARISON OF FY 77 ESAA BASIC AND SPECIAL GRANTS
BY YEAR OF PLAN IMPLEMENTATION



No. of Basic Grants=432
No. of Special Grants=121

Administrative Review of Application Budgets

The administrative review of project budgets is designed to eliminate proposed project costs that are: (1) unauthorized under the Act or Regulations; (2) unjustified in the application narrative, or (3) judged to be excessive by local cost standards, such as teacher salary scales.[5] The reviews are performed by OE program and contract personnel after applications have been rated for quality by the non-Federal review panel and ranked for funding according to the applications' total scores. The review can only result in an award which is equal to or less than the amount requested in the application. There are no guidelines as to an appropriate dollar amount, either in terms of the stat score or quality score measures, or in terms of the applicants' per pupil expenditures.

The administrative budget reviews have a substantial effect on the funds awarded grant recipients. In many cases, whole project components are eliminated or the number of project schools are considerably cut. The effects on grant funds are demonstrated in Table 4.9 which displays the percentage of FY 77 Basic grant recipients who had their requests reduced by different proportions. Nearly a third of all budgets were reduced by more than 40 percent, e.g., budgets requesting $200,000 were reduced to less than $120,000.

The results in Table 4.9 also demonstrate that the administrative budget reviews have a significantly different impact on applications in the north and west versus the south, and applications from districts with required versus non-required plans. The budgets of nearly half the applicants in the north and west were reduced by more than 40 percent.

The reductions appear to be more significant for applicants with non-required plans, and consequently for applicants in the north and west, because the "schools affected by the plan" are not as clearly defined in non-required plans as in court or DHEW orders for required plans. There is lack of clarity in the Regulations and program guidelines in the definition of "schools affected by the plan". As will be discussed in more detail in Volume II of this study, the problem appears to be the lack of a clear distinction between "schools affected by the plan" for the purposes of the stat score calculation of the effective net reduction in minority isolation, and schools with demonstrated needs relating to the plan

TABLE 4.9

PERCENT OF GRANT RECIPIENTS WHOSE GRANT FUNDS WERE LESS THAN THEIR GRANT REQUESTS BY PERCENT OF REDUCTION FOR FY 77 BASIC GRANTS

	Percent Reduction			
Recipient Category (Number of Cases)	-75% to -100%	-40% to -75%	-15% to -40%	0 to -15%
All (432)	2.8	26.7	35.3	35.1
Region				
North & West (147)	6.8	38.8	32.0	22.4
South (284)	0.7	20.4	37.0	41.6
Plan Type				
Non-required (95)	5.3	34.7	35.8	24.2
Required (248)	1.6	23.8	35.5	39.1
Unknown (89)	0.3	21.3	22.5	30.3

implementation. All schools involved in pupil or teacher reassignment are "affected by the plan" for stat score purposes.[6] However, some of these schools may not have programmatic needs relating to the plan, while some other schools not involved in the reassignment may, according to program guidelines, be sufficiently affected by plan implementation to receive ESAA services.

According to EEOP respondents, this has lead to a great variability in the number of project schools eliminated in the administrative reviews and the budgets recommended by EEOP staff. One expected result of the recent centralization of the EEOP staff in Washington, D.C. has been a reduction in these variations.

The administrative budget reviews, which often eliminate project components, follow the quality score reviews. This leads to another validity problem for the use of the quality score in the ranking of applications for funding. As a result of the elimination of project components in the budget reviews, the quality score can be substantially unrelated to the project that is funded. Applications are, therefore, in part ranked for funding on what is proposed and not what is funded.

According to EEOP staff, the administrative reviews have been performed after the quality reviews because of provisions in the DHEW Grant Procurement Manual (Sections 3.2).[7] These provisions permit the rejection of applications prior to the panel review if the application contains material not permitted by the Act or Regulations. Since rejection of the entire application would require LEA notification and opportunity for resubmittal, thereby adding another step to the application process, current practice provides only for such review after rating by the review panel. The Manual does not specifically address the issue of whether unallowable activities or components may be cut from the application without complete rejection and resubmittal.

The positioning of the budget review after the quality review does have the advantage that it enables program officers to employ the panel recommendations in the consideration of the proposed budget. Table 4.10 provides evidence that, in fact, the quality scores affect the funds awarded grant recipients in this way. Applicants with low quality scores lose a higher proportion of their requested funds than applicants with high quality scores. The aggregated effect, however, is insufficient to focus funds to applicants with high scores, as seen in Table 4.3.

TABLE 4.10

PERCENT OF GRANT RECIPIENTS WHOSE GRANT FUNDS WERE LESS THAN THEIR GRANT REQUESTS BY QUALITY SCORE FOR FY 77 BASIC GRANTS

	Percent Reduction			
Application Quality Score (Number of Cases)	-75% to -100%	-40% to -75%	-15% to -40%	0 to -15%
28-30 pts. (10)	10	60	20	10
31-35 pts. (46)	4.3	47.8	32.6	10.9
36-40 pts. (96)	4.2	30.2	35.4	30.2
41-45 pts. (279)	1.8	20.8	36.2	41.2

IV.C. Summary and Conclusions

Although there are no explicit guidelines relating the funds awarded individual grant recipients to the relative measures of need specified by the Regulations, Basic grant funds were found to be focused to grant recipients with higher stat scores. This reflects the not-too-suprising result that grant funds were primarily related to enrollment size through one of the stat scores measures, the number of minority students in the district. However, independent of enrollment, more FY 77 Basic grant funds were awarded, on the average, to recipients with a high score for the number of minority students whose isolation had been reduced.

The focusing of funds to eligible applicants with high minority enrollment was stronger in the border states and the south. In a national grouping of recipients, the analyses indicated that independently of enrollment size, more funds were awarded to recipients with more recently implemented plans, and that less funds were awarded to recipients with less comprehensive plans, as measured by the stat score component relating to the effective net reduction in the percent of minority isolated students. These two measures, however, merely distinguish the regional characteristics of grant recipients. More funds were awarded on the average, to recipients in the northern and western states than in the border and southern states.

The state apportionment formula specified in the Act and employed to proportionately distribute Basic, Pilot and NPO funds to states is unrelated to grant fund requests and needs. The needs of newly desegregating urban LEAs are not being met by the current allocation of Basic grant funds. The formula is based on the number of minority students in each state.

The administrative review by OE program and contract officers significantly affects the funds received by grantees. A greater percentage of project budgets are reduced for projects proposed by LEAs in the north and west and by LEAs implementing non-required plans. Given the lack of clarity in the definition of "schools affected by the plan", the budget cuts are susceptible to a high degree of interpretation.

The position of the administrative review following the quality review of applications does not permit unauthorized activities and schools to be removed from the narrative prior to the quality score rating. This further adds to the validity problems of the quality score as a measure of educational and programmatic merit. There are no specific guidelines relating the dollar amounts of grants to the quality score and no significant relationship was in fact found between quality scores and grant funds. However, the percentage of funds cut from project budgets in the administrative review appeared to be related to application quality scores: applications with lower quality scores had higher budget reductions than applications with higher scores. Given the validity problems of the quality score, a practice that relates funds to quality scores may not reliably focus funds to recipients with projects of high programmatic merit in achieving the purposes of the Act.

FOOTNOTES

1. In the north and west, the correlation of grant funds with minority enrollment is 0.65; in the border states and south, it is 0.79.

2. Multiple correlation coefficients derived from stepwise regression analyses.

3. P.L. 92-318, Sec. 704

4. P.L. 92-318, Sec. 705(a).

5. ESAA program guidelines.

6. ESAA Basic grant application, OE Form 116.

7. See further discussion in Volume II, Chapter III.

APPENDIX

Description of Project Data Base

Five sources of data were employed to form the items in the project data base; they were:

- The National Institute of Education School District File of Poverty Data - This computer tape file provided district level data on average daily membership and attendance for all school districts in the USOE ELSEGIS universe for FY 76. The file also contained 1970 Census poverty data for all school districts with membership over 300 that had not consolidated or merged since 1973-1974, the year the mapping by school district was performed. The poverty data consisted of counts of total persons and persons in poverty broken out by white, black and hispanic population, by urban/metro population and by age groupings. These data were employed to determine a district's metro status and poverty rate for the analyses. The FY 76 universe contained 16,884 operating LEAs and supervisory unions. Census data were available for 11,904 LEAs.

- ESAA Funding History Files - ESAA documents listing Basic, Pilot, Bilingual, and Special grant recipients for FY 73 to FY 77 were coded, keypunched and edited to form a funding history computer file. This file was merged with the FY 76 universe file. Twelve districts that were no longer operating and not on the universe file and 32 New York City Community School Districts (CSDs) were added to the file so that all ESAA grant recipients were represented.

- ESAA FY 77 Application Review Documents - ESAA application review documents (OE Form 139) for Basic, Pilot, Bilingual and Special grants were coded, keypunched and edited to form an FY 77 applicant file that was merged with the universe file.

- ESAA FY 77 Application Forms - ESAA data on FY 77 enrollment by racial/ethnic enrollment, number of schools and pupils affected by the district's plan, the type of implemented plan and the initial year of plan implementation were obtained from tabular material submitted in applications by FY 77 grant recipients. Data from Basic grant applications were obtained with the cooperation of System Development Corporation in conjunction with their performance of another study of ESAA. Other data were obtained from ESAA program files. These data were also merged with the universe file.

- Office for Civil Rights (OCR) Survey Data - Data from the 1968-1972, 1974 OCR Surveys were available on separate district and school level files by year. OCR processing of the data from the most recent survey, 1976, had not been completed at the time of this study. The numbers of districts for which survey data were available for each year are shown in Table A-1. From these data, a merged longitudinal file was produced detailing the desegregation status of the surveyed districts by year, and, for 1968, 1972 and 1974, district enrollment by racial/ethnic categories, and minority isolation and racial imbalance indexes.

  The development of this file posed many problems; although DHEW had standardized the format of the files for each year and level, the validity of the data had not been examined across years and levels for each district. At both the school and district level for each year, it was necessary to check for records that were partially or fully duplicate, for cases in which district totals did not agree with the aggregate of school totals, and for cases which were incorrectly matched to identification codes. Across years, the desegregation status of districts was checked for consistency; conflict in status assignments were noted when a district was given a court-ordered or DHEW-ordered status for several years and then a voluntary status. Of the districts on the merged file, 1.7 percent had unresolvable conflicts concerning desegregation status. Where school and district level data inconsistencies could not be resolved, the data were considered as missing.

The final merged file contained 12,325 school districts; 11,942 had 1970 Census data retabulated to 1973-1974 school district boundaries; nearly all of these districts had over 300 pupils in 1973-1974. Of the 12,325 districts, 10,236 had OCR data on desegregation status for at least one of the years 1968-1974.

All 914 districts (including 32 New York City CSDs) that received a Basic, Pilot, Bilingual or Special grant in any year FY 73-FY 77 were on the file. Census data were available for 832 districts, and OCR data in at least one survey year were available for 779 districts.

TABLE A-1

Number of Districts for Which OCR Survey Data Were Available

1968	1969	1970	1971	1972	1974
8,481	1,975	8,036	2,849	8,055	2,992

VOLUME II

CONTENTS

Page

SUMMARY OF FINDINGS.................................... 1

I. INTRODUCTION....................................... 5

II. THE FOCUS OF ESAA PROJECT ACTIVITIES AS AUTHORIZED AND IMPLEMENTED................. 13

- II.A. The Focus of Basic Grant Projects...... 14
- II.B. The Focus of Pilot Grant Projects...... 22
- II.C. The Focus of Non-Profit Organization (NPO) Grant Projects.................. 25
- II.D. The Focus of Bilingual Grant Projects.. 29
- II.E. The Focus of Special Grant Projects.... 31
- II.F. Summary and Conclusions................ 35

III. THE INFLUENCE OF ESAA PROGRAM OPERATIONS ON THE FOCUS OF ESAA PROJECTS.................. 39

- III.A. Pre-Application Process................ 40
- III.B. Application Review and Fund Allocation Process................................ 42
- III.C. Summary................................ 52

IV. ESAA AND DESEGREGATION-RELATED NEEDS........... 55

LIST OF TABLES

Page

TABLE 1.1. CHARACTERISTICS OF CASE STUDY DISTRICTS.............................. 9

TABLE 2.1. AUTHORIZED ACTIVITIES FOR ESAA BASIC PROJECTS.......................... 15

TABLE 3.1. EXCERPTS FROM ESAA PROGRAM MANUALS...... 46

LIST OF FIGURES

FIGURE 4.1. RATIO OF ESAA GRANT FUNDS TO TITLE I FUNDS FOR FY 77 BASIC GRANT RECIPIENTS.. 58

ASSESSMENT OF ESAA PROGRAM OPERATIONS

The Focus of ESAA Projects

SUMMARY OF FINDINGS

The objectives of this second part of the study, Assessment of ESAA Program Operations, were:

- to determine the extent to which ESAA projects have been focused on the desegregation-related needs of funded school districts; and
- to determine the influence of ESAA program operations on the foci of ESAA projects.

Desegregation-related needs are broadly interpreted to include (1) needs related to the physical reassignment of students and staff, or other actions to eliminate discriminatory practices and to reduce or prevent minority isolation; and (2) needs related to actions beyond reassignment that seek to establish equal status interactions within schools.

The Act and Regulations authorize support for projects having varying relationships with school districts' required or non-required plans to reduce or prevent minority isolation. Only projects funded in the Basic and Non-Profit Organization grant categories are explicitly mandated by the Regulations to be directly related and necessary to the implementation of district plans. Although a district must be implementing an eligible plan to receive a Pilot or Bilingual grant, funded activities are not mandated to be related to the plan, nor to be in schools affected by the plan. For some ESAA Special grants, districts need not be implementing an eligible plan.

As a result of these eligibility requirements specified in the Act, ESAA projects do not focus on district planning and implementation needs related to the physical reassignment of students and faculty, nor to the development of procedures prior to plan implementation for preventing discriminatory practices with respect to minority personnel, to student assignments within schools, and to student discipline practices. Respondents in case study districts with court-ordered plans felt that their greatest problems were in the period just prior to implementation. Since Title IV (Civil Rights Act) directly addresses these needs and since the number of newly desegregating districts is small, this may not be a major area requiring further Federal assistance.

Most ESAA grant recipients are in the phase of desegregation requiring educational system changes to establish and promote equal status interactions and expectations. Activities authorized to meet the needs of districts include remedial services, guidance and counseling, inservice training, community activities, career education, and innovative multicultural or extracurricular activities. From the case studies of ESAA projects in 22 school districts across the country we found that:

- Most Basic grant projects focused on direct services to students and teachers, rather than intergroup activities. The most common focus was remedial services. ESAA remedial services were being used by school districts to complement Title I services by providing similar services to schools or grades not served by Title I. ESAA was the flexible answer to their many remediation needs. In a large proportion of districts, ESAA funds were comparable to Title I funds.

- While not as prevalent as remedial services, inservice training for teachers, and guidance and counseling services for children were also foci of Basic grant projects. These activities tended to be more related to the implementation of a district's plan. Other types of authorized activities such as community activities and interracial/extracurricula activities were almost absent.

- Although Pilot projects were authorized to focus on innovative approaches to improving the academic achievement of minority isolated students, in many sites they were less directly related to achievement and more related to human relations and multicultural activities than Basic projects. No evidence was found that Pilot

202

projects had been replicated to other schools or districts, although potential replicability is one of the criteria used to rate Pilot project applications.

- Most NPO projects emphasized community involvement in the schools through tutoring, cultural enrichment or recreational activities and, as such, supplemented school district activities. Only one project appeared to be particularly focused on needs arising from the implementation of a district's plan: it helped minority parents monitor the assignment of pupils to special education classes.

- Emergency Special projects as implemented primarily served to augment services provided under Basic and Pilot grants to more recently desegregating school districts.

- As authorized and implemented, Bilingual grant projects overlapped in goals and focus the projects funded under the Bilingual Education Act (Title VII, ESEA).

Aside from specifying the type of activities that may be supported, ESAA program operations particularly influence the focus of Basic projects in the application and budget review processes by the deletion of components judged to be unrelated to the plan, or by the deletion of schools judged unaffected by the plan. These judgments are susceptible, however, to a high degree of variation as a result of conflicting program guidelines. Other regulatory provisions relating to recency of plans, court-ordered ESAA-like activities, and private school eligibility prevent a consistent view of what activities are related to district plans and what schools are affected by plans. In particular, provisions in the Act and Regulations permit and encourage private schools to be served by ESAA projects that would not be eligible if they were public schools.

School district respondents reported that ESAA projects were meeting many of their most important needs. If more grant funds were available, they would expand their current project activities. If there were no ESAA funds, the districts would not be able to support the activities.

Whether the needs were related to desegregation and the establishment of equal status interactions within schools, however, depended on district perceptions of the purposes of ESAA. In several districts which had completed implementation of their desegregation plans prior to 1968, ESAA was perceived as addressing the "educational disadvantages of minority children" and thus ESAA projects were solely focused on compensatory education. At the opposite end, several districts perceived ESAA to be highly related to integration and consequently their projects had no compensatory education components; that was left for Title I projects. In most other districts, ESAA was perceived as related to desegregation, but this led to projects directed primarily at ESAA's third purpose -- to aid school children overcome the disadvantages of minority isolation.

The most commonly cited desegregation-related need, regardless of region, plan type and implementation year, was inservice teacher training. Many respondents felt that desegregation was being hindered by the indifferent and negative attitudes of teachers, or their inability to adapt their teaching styles to the special needs of classrooms with students from diverse backgrounds. Despite this universally felt need, only half the projects studied included an inservice training component.

Prior research studies have shown that teacher behavior is governed to a large extent by school policy which in turn is influenced by school principal leadership. Since neither the Act nor the Regulations identify or authorize appropriate training or technical assistance for principals or other administrators, the ESAA program has not recognized one of the important keystones to achieving successful desegregation.

In sum, those recipients who view ESAA as addressing needs associated with integration and the establishment of equal status interactions and expectations have ESAA projects focused on these needs. Those recipients who do not view ESAA as desegregation-related, focus projects on remedial services. The Act, Regulations and program guidelines do not adequately present with consistency and clarity the purposes of ESAA to encourage the former view as opposed to the latter.

I. INTRODUCTION

The success of a Federal grant program, such as ESAA, in achieving its national goals depends to a large extent on the effectiveness of the individual, funded projects. Many local factors over which Federal program administrators have little control influence this effectiveness. Therefore, beyond targeting grants and funds, the Federal government can most affect the success of its national programs by defining the focus of projects, that is, by defining what types of local activities will be supported for what purposes for which classes of students and schools.

The appropriate focus for ESAA assistance, and for Federal desegregation assistance in general, has been an issue ever since the program was proposed: In one of the initial sections of the Act, Congress stated that "the process of eliminating or preventing minority group isolation and improving the quality of education for all children often involves the expenditure of additional funds to which local educational agencies do not have access."[1] One of the larger additional expenditures required of school districts in the process of desegregation has been for student transportation. However, neither the ESAA program nor any other Federal grant program is permitted to provide funds to meet these financial needs.[2] Initially, the bill establishing the ESAA program did not rule out the funding of transportation expenditures in desegregating school districts. However, opposition to busing was a key issue in the 1972 elections. Within a few months after George Wallace won the Florida primary, largely by stressing his opposition to busing, President Nixon submitted, and Congress passed, bills forbidding the expenditure of Federal funds for transportation for desegregation.

Even after the passage of ESAA, the focus of project activities was an issue. As related in Volume I, in the first year of the program a policy was promulgated by the then Secretary, DHEW which gave priority to projects emphasizing remedial services, only one of the 12 activities initially authorized in the Act. Congress objected to this focusing, noting that human relations projects were considered more effective when dealing with desegregation.[3] While this policy emphasis has been eliminated in recent years, the issue of appropriate project activities to meet the desegregation-related needs

205

of school districts still remains: the recent report by the General Accounting Office charged that some funded projects (as described in their applications) still had questionable links to desegregation.[4]

In this Volume we investigate the focus of ESAA projects and address the following questions:

- To what extent have ESAA projects been focused on the desegregation-related needs of funded school districts?
- To what extent have program operations influenced the foci of ESAA projects?

We use the term "desegregation" in a short-hand sense. It does not just refer to the de-segregation and remedying of illegal discrimination (its definition in the Act and Regulations),[5] it also refers to non-required actions to reduce or prevent majority-group and minority-group isolation. Also, it is used to refer to more than the physical reassignment of students or faculty among schools. In the present context we use "desegregation" to refer to:

- the process of both physical and educational change in schools to reduce minority/majority group isolation and to establish equal status interactions between students and between faculty.

This definition of desegregation builds on one developed by Smith, Downs and Lachman.[6] As they have noted, desegregation is a process. It is not a single event, particularly not just the implementation of the plan. Rather it is a continuum of events that both precede plan implementation and extend over a long period of time afterwards. It requires fundamental change, not only in attendance and staffing patterns, but also in "attitudes, beliefs and behavior patterns of both majority-group and minority-group students, teachers, administrators and parents."[7]

The establishment of equal status interactions, the condition in which minority and majority group members are able to relate to each other as individuals rather than as members of racial/ethnic groups, requires not only that there be tolerance for diversity in attitudes and behaviors, but that expectations of achievement, for example, be unrelated to minority-majority identity.[8]

To some, these conditions would be referred to as "equal education opportunity." We have avoided using this terminology because it has come to have conflicting definitions. For example the Equal Educational Opportunities Act of 1974 does not speak to educational change; it forbids courts to use busing as an appropriate remedy for illegal segregation.[9]

On the other hand, the ESAA program is administered by the Equal Educational Opportunity Programs Office of DHEW/OE, but "equal educational opportunity" does not appear as a mandated goal or purpose. We note that at one point in its enactment the Act was labelled the Emergency School Aid and Quality Integrated Education Act.[10]

More importantly, however, equal educational opportunity has come to be associated with programs such as Title I that only provide compensatory education to disadvantaged children. This may in part be due to the finding of the Coleman survey that:

> "the sources of inequality of educational opportunity appear to lie first in the home itself and the cultural influences immediately surrounding the home..."[11]

Compensatory education may be an important component of a program to overcome educational disadvantages arising from past discrimination and isolation and therefore an important component in achieving equal expectations and equal status interactions. However, to avoid the misperception that any compensatory education program in which minority pupils participate is desegregation-related, we avoid the terminology "equal educational opportunity."

Thus, in investigating whether the ESAA program has been focused on the desegregation-related needs of school districts, we broadly include:

- needs relating to the physical reassignment of students and staff or other actions to eliminate discriminatory practices and to reduce or prevent minority isolation; and

- needs related to actions beyond reassignment which seek to establish equal status interactions within schools.

The three purposes of the Act, broadly interpreted, are concerned with these school district needs.

The structure of our presentation is similar to that in the first Volume. We examine in Chapter II the foci of ESAA projects as intended by the Act and Regulations, and then their foci as implemented. In Chapter III the influence of program operations on project foci is analyzed. The findings are brought together in Chapter IV with a further report of LEA perceptions to assess whether ESAA projects are addressing the desegregation-related needs of school districts.

The primary data for this part of the study were obtained from case studies of ESAA projects in 22 school districts. Unstructured interviews were conducted with school district officials, ESAA project staff and community members in 2 to 3 day visits to each site in the winter of 1977. Interviews were also conducted with Regional and Central Equal Educational Opportunity Programs (EEOP) staff. In order to provide a background for the presentations in the next chapters, we briefly describe the case study group. To maintain confidentiality, we have used pseudonyms throughout. Full descriptions of the ESAA projects in each of the case study districts are contained in the summaries in the Appendix.

Description of Case Study Group

Twenty-two school districts formed the case study group.[12] Initial prerequisites for the group were that it must contain at least two districts receiving each type of ESAA grant and that each DHEW region be represented by at least one district. Given these conditions and the small size of the group, districts were selected to be indicative, but not statistically representative, of the characteristics of ESAA districts. The list of districts with several relevant characteristics is presented in Table 1.1.

Twenty-one of the 22 districts received a Basic grant in FY 77 (3 from a supplemental appropriation for projects in districts with non-required plans). Nine received a Pilot grant, 14 received at least one NPO grant, five received a Special grant and one, a Bilingual grant. No more than nine projects of any one type were investigated in detail through interviews.

TABLE 1.1

CHARACTERISTICS OF CASE STUDY DISTRICTS

	Year of First Implementation	Plan Type	Percent Enrollment Affected By Plan	No. of Years Received ESAA	1977 Percent Minority Enrollment	1977 Enrollment*
Border & South						
Ash	1975	required	60%	2	65%	5
Beech	1954	required	100	5	90	4
Birch	1968	required	100	2	48	1
Butternut	1957	required	100	5	55	4
Ironwood	1964	nonrequired	100	5	28	2
Maple	1960	required	100	5	83	5
Pine	1970	required	100	5	65	5
North & West						
Buckeye	1970	required	19	5	18	4
Cedar	1972	nonrequired	80	3	16	4
Chestnut	1966	nonrequired	100	5	20	5
Cottonwood	1975	required	100	3	20	4
Cypress	1972	nonrequired	100	5	37	2
Dogwood	1972	nonrequired	100	5	53	2
Evergreen	1973	nonrequired	32	5	70	3
Hemlock	1973	nonrequired	100	5	89	2
Hickory	1966	nonrequired	97	4	21	5
Juniper	1959	nonrequired	100	4	9	3
Magnolia	1964	nonrequired	-	4	73	4
Redwood	1973	required	96	5	23	5
Spruce	1972	nonrequired	89	5	49	4
Sycamore	1968	nonrequired	100	4	55	4
Willow	1976	required	96	2	81	5

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* (1) LT 1,000 (2) 1,000 to 5,000 (3) 5,000 to 10,000 (4) 10,000 to 25,000 (5) GT 25,000

Geographically, districts were selected roughly in accordance to the number of ESAA grants in each DHEW region.[13] The ability to geographically cluster the sites to facilitate travel was a practical consideration.

The districts were nearly equally split by the type of desegregation plan enabling ESAA eligibility. Of the 10 sites with required plans, eight were court ordered, one HEW-ordered, and one mandated by a state agency. All 12 districts with non-required plans had implemented plans to reduce or eliminate minority isolation as opposed to plans to prevent minority isolation.

Eight of the case study districts initiated implementation of their desegregation plans prior to 1968, 11 in the period between 1968 and 1974, and three since 1975. Several of those initiating implementation prior to 1972 have been subject to continuous plan readjustments and mandates through 1975.

According to the districts' ESAA applications, the desegregation plans affected over 95 percent of the enrollments in all but five of the districts. Of the students affected by the plan in each district, the percentage proposed as ESAA project participants varied from five to 100 percent, with the median at 25 percent. Minority students constituted 20 to 90 percent of the proposed participants.

The districts were approximately evenly distributed by percent minority enrollment. Roughly one-third were in the ranges 0-30, 30-60, and 60-100 percent. For Basic grants, this sample over-represents districts over 60 percent minority. However, the number over 60 percent minority is an underrepresentation for Pilot grants. Enrollments varied from 9 percent to 90 percent minority, with the median at 49 percent. Both black and hispanic students constituted the minority populations.

Enrollment of the case study districts spanned the range from roughly 1,000 to 250,000 pupils. Seven districts had over 25,000 pupils, 10 had between 5,000 and 25,000, and five had less than 5,000 pupils.

FY 77 Basic grants for the 21 districts ranged from approximately $60,000 to $3,000,000. The median FY 77 grant was $360,000. Per proposed participant, Basic grants ranged from $9 to $840. (Participants are not full-time-equivalents). This corresponded to a range of

0.6 to 44 percent of the district's per pupil expenditures. Four districts received Title IV (Civil Rights Act) grants and 10 districts received Bilingual grants under Title VII (ESEA).

FOOTNOTES

1 P.L. 92-318, Title VII, Sec. 702(a).

2 P.L. 92-318, Title VII, Sec. 802.

3 Senate Report No. 93-763, 102 (1974).

4 U.S. General Accounting Office, Report HRD-78-36, 1978.

5 42 FR 14, p.3900.

6 A. Smith, A. Downs and M.L. Lachman, Achieving Effective Desegregation, Lexington, Mass.: D.C. Heath and Co., 1973, p.1.

7 Ibid, p.24.

8 E. Cohen, "The Effects of Desegregation on Race Relations: Facts or Hypothesis," Law and Contemporary Problems, 39, 1975.

9 P.L. 93-380, Title II.

10 Gary Orfield, Congressional Power: Congress and Social Change, New York: Harcourt Brace Jovanovich, Inc., 1975, p.177.

11 James S. Coleman, as quoted in On Equality of Educational Opportunity, Frederick Mosteller and Daniel P. Moynihan, Eds., New York: Random House, 1972.

12 The initial case study group consisted of 25 districts. Due to changes in the Scope of Work and consequent time constraints, the group was reduced to 22 districts.

13 Region II (New York, New Jersey) was not represented since a study of the Regional Administration of ESAA was being performed concurrently with the present project. Additionally, the three districts in the initial group that were not visited were in the south.

212

II. THE FOCUS OF ESAA PROJECT ACTIVITIES AS AUTHORIZED AND IMPLEMENTED

The diverse perceptions of the desegregation-related needs of school districts are no where more evident than in the division of the ESAA program into several grant categories and subcategories which differ by the major focus of their authorized activities, by the schools and students served and by the types of organizations granted eligibility. In Volume I, a brief overview of these grant categories was provided.

In this chapter, we examine in more depth the focus of ESAA projects by grant category as specified by the Act and Regulations, and as implemented in the 22 case study districts across the nation. Each grant category is discussed in turn in Sections II.A through II.E. A summary of findings is presented in Section II.F.

213

II.A. The Focus of Basic Grant Projects

According to the Act and Regulations

The 12 activities authorized for ESAA Basic projects are listed in Table 2.1 according to their focus. The activities are fairly broad in scope. Several are directly oriented to students, others to instructional staff, and one to community members. Others relate to the development and improvement of instructional materials and facilities. Two, however, relate solely to the management and conduct of the ESAA project and thus do not specify the permissible focus of projects. They are more aptly described as authorized expenditures rather than activities.

Only two of the activities explicitly focus on human relations:

- the development and use of instructional materials to support a program of instruction for children from all racial, ethnic, and economic and language backgrounds; and

- innovative interracial educational projects involving the joint participation of minority children and other children attending different schools.

The other activities reflect the findings of Smith, Downs and Lachman:[1] many desegregation-related activities and techniques are equivalent to general educational activities. For example, remedial services, guidance and counseling, inservice training, career education, and repair and remodeling of facilities are all activities that are generally undertaken by school districts independently of whether or not they are implementing a plan.

Whether these activities are desegregation-related, therefore, depends on the extent to which they relate to the implementation of the district's plan. The Regulations for Basic grants specifically limit financial assistance only to those activities which are "directly related and necessary to the implementation" of the district's plan. In addition, the activities providing

TABLE 2.1

AUTHORIZED ACTIVITIES FOR ESAA BASIC PROJECTS[a]

1. Student-Oriented

- Remedial services to meet the special needs of children in schools which are affected by the plan[b] when such services are deemed necessary to the success of the plan.
- Comprehensive guidance, counseling, and other personal services for children directly affected by the plan.
- Innovative interracial educational programs or projects involving joint participation of minority group children and other children attending different schools, including extracurricular activities and cooperative exchanges or other arrangements between schools within the same or different school districts (when directly related and necessary to the implementation of the plan).
- Educational programs using shared facilities for career education and other specialized activities (when directly related and necessary to the implementation of the plan).

2. Staff-Oriented

- The provision of additional professional or other staff members (including staff members specially trained in plan implementation) and the training and retraining of staff for schools affected by the plan.
- Recruiting, hiring and training of teacher aides (when directly related and necessary to the implementation of the plan).

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a/ 45 CFR 185.11

b/ Plan refers to the desegregation plan or plan to reduce or prevent minority isolation.

TABLE 2.1 (cont.)

- Inservice teacher training designed to enhance the success of schools assisted under the grant through contracts with other institutions, such as institutions of higher education.

3. Community-Oriented

- Community activities, including public information efforts in support of the plan or ESAA project.

4. Instructional Materials and Facilities Development

- The development and use of new curricula and instructional methods and practices, and techniques, and acquisition of related materials, to support a program of instruction for children from all racial, ethnic and economic backgrounds, including instruction in the language and cultural heritage of minority groups (when directly related and necessary to the implementation of the plan).

- Repair or minor remodeling, or alteration of existing school facilities and the lease or purchase of mobile educational units (when directly related and necessary to the implementation of the plan).

5. Related to Project Expenditures

- Planning, evaluating and disseminating information with respect to the funded ESAA project.

- Administrative and auxiliary services to facilitate the success of the funded ESAA project.

216

direct services to individual students and teachers (i.e., remedial services, guidance and counseling, and training) are further limited to students and teachers in schools affected by the district's plan.[2]

As Implemented By LEAs

Basic project activities in the school districts visited were predominantly focused on direct services: remedial instruction, guidance and counseling services for students, and inservice training for teachers. Other types of authorized activities for Basic projects, such as career education, community activities, curriculum development and interracial/extracurricular activities, were almost absent.

The most common focus of Basic activities was remedial services in reading and mathematics. In all but 3 of the 21 districts visited that received a Basic grant, these services were the major or only project focus.

Among the objectives or needs identified to justify these services were:

- to increase the reading and math levels of minority children who had been handicapped by previous racial isolation;
- to narrow the gap in achievement between minority and nonminority children;
- to build self-esteem among minority students;
- to reduce academic frustration and absenteeism; and
- to make the academic transition to a desegregated educational setting as smooth as possible.

In the three sites that were formerly dual school systems that had fully completed implementation of their desegregation plans by 1968, compensatory services were the only project component. LEA respondents in these districts did not perceive ESAA to be related to desegregation in any way. ESAA was necessary, according to these respondents, primarily to address their many needs for remedial services. In one district, 70 percent of the student enrollment was testing significantly below grade level.

In most cases, the remedial services provided by ESAA Basic projects were similar in techniques and approaches to the services provided by Title I (ESEA) projects. Title I provides financial assistance to school districts to meet the "special educational needs of educationally deprived children" in schools having high concentrations of children from low-income families. Title I projects have generally focused on compensatory education for pupils in "Title I schools" who score below grade level on achievement tests.

ESAA services were being used by school districts to complement the services provided by Title I (ESEA) in one or more of the following ways:

- by serving low achieving students in non-Title I schools affected by the desegregation plan;
- by serving low achieving students in different grades than Title I; or
- by providing compensatory math instruction when Title I provides reading, or vice-versa.

For example,

- Ten elementary schools not served by Title I in the Maple school district were provided reading and math remedial services by the Basic project.
- In Cypress, a district which voluntarily desegregated in 1972, remedial services were provided to students in grades 2-8 who were 1-2 years below grade level; Title I served only the elementary grades 4-6.
- In Birch, Title I provided remedial reading services to children in grades 1-5, while the ESAA Basic project served junior high school students.

In some instances, the compensatory services were jointly provided and equally supported by ESAA and Title I:

- In an Ironwood junior high remedial math laboratory, one teacher and one aide were supported by Title I and one teacher and one aide by ESAA.
- ESAA-supported services and Title I services were similarly difficult to distinguish in Juniper.

Several LEA respondents felt that ESAA projects allowed them to flexibly meet their remediation needs compared to Title I. Title I requirements for school eligibility were viewed as fairly rigid. ESAA, on the other hand, provided "hip pocket money." It could be used in any school that was once affected by the districts' plan. For formerly dual school systems, this was generally any school in the district.

While not as prevalent as remedial services, inservice training and assistance for teachers, and guidance and counseling services for students were supported in several case study districts with Basic grant funds. Urban districts, in particular, in both the north and the south incorporated these components into their projects. Unlike the remedial services, these project activities were more directly related to the districts' plans.

- Guidance and counseling, and remedial reading services formed the two components of the Basic project in Cottonwood, a northern urban school district that desegregated under state court order in 1975. The desegregation plan called for the closing of a few predominantly minority schools and the reassignment of the minority pupils to other schools. Although there was some isolated evidence of violence and hostility, there was little or no opposition to implementation of the plan. The guidance and counseling component focused on assisting children that were reassigned to make satisfactory readjustments to new social and academic surroundings.

- In two large urban districts in the south, major Basic project activities consisted of inservice training and assistance to counter teacher absenteeism and turnover. The pre-1970 court orders in both cases mandated the reassignment of staff to schools so that each school reflected the district-wide racial composition. New and inexperienced non-minority teachers were assigned to minority schools and were unable to cope with the changed setting. In addition, 'hard core' older teachers were unable to adapt to desegregated classrooms. In each district, teams of veteran teachers provided support and human relations training for new teachers and principals.

- In Willow, guidance and counseling, in addition to reading, crisis prevention and inservice training were mandated by a mid-1975 court order. ESAA Basic, Pilot and Special grant funds were among the sources of funds used to provide these services. Since all schools were "affected by the plan" the Basic grant provided funds for services in schools that were 30 to 55 percent minority, i.e., 'desegregated'. The major objective of the guidance and counseling component was to provide additional services in career education and personal counseling to decrease the absenteeism and drop-out rate.

- Guidance and counseling and inservice training were particularly coordinated into a total program focusing on human relations in Hickory. The implementation of the second phase of a voluntary desegregation plan in 1974 was followed by several incidents of interracial conflict, and alleged discrimination by students and staff. With previous Basic grants, the district had primarily focused activities on improving academic skills. The focus shifted in FY 77 through a realization that the overall achievement levels of its students were among the highest in the state.

The district's objective in its FY 77 Basic grant was to help move the schools' status from desegregated to integrated. Through communication and counseling, human relations advisors helped relieve the tensions and fears of students bused to schools outside their neighborhoods. They also facilitated the adjustment of minority students to the academic and social programs of receiving schools, and promoted majority student awareness of the multicultural world. Through inservice training, human relations resource teachers assisted teachers in coping with, and understanding, situations arising in desegregated classrooms.

Of the Basic projects studied, only one focused on interracial extracurricular activities.

- Cedar, a medium-sized midwest district with a 16 percent minority enrollment, initiated some desegregation actions in 1967 in response to local demonstrations. A comprehensive plan was eventually implemented in 1973. The Basic project provided opportunities for students in three elementary schools affected by the plan to interracially interact outside the classroom through crafts projects, concerts, art shows, and theatrical experiences.

In these latter two cases, Hickory and Cedar, respondents saw ESAA very specifically as desegregation-related and not overlapping with Title I, which was seen as oriented towards compensatory education.

II.B. The Focus of Pilot Grant Projects

According to the Act and Regulations

All activities authorized for Basic projects are also authorized for Pilot projects. According to the Act and Regulations, however, Pilot projects should be especially designed to overcome the adverse effects of minority group isolation by improving the academic achievement of students in over 50 percent minority schools. The Regulations further specify that the objective of the activities should particularly be directed towards reading and mathematics achievement.[3]

The Pilot grants, as specified in the Act and Regulations, therefore support those activities whose focus is most equivalent to the focus of the general educational activities of school districts. Pilot project activities need not be related to the implementation of the districts' plans. They only need be directed at children in over 50 percent minority schools.[4]

Pilot projects, however, are supposed to be particularly innovative and replicable. In the review of Pilot grant applications, proposed Pilot projects are rated on their potential replicability, that is: (1) the extent to which the applicant proposes to carry out the activities in other schools; (2) the extent the applicant will permit observation of the project and will provide information on educational results; and (3) the extent to which the project's developmental costs are modest and identifiable.[5]

As Implemented By LEAs

Although the Act and Regulations explicitly indicate that Pilot projects are to focus on improving the achievement levels of minority students in minority isolated schools, Pilot project activities were found to be almost indistinguishable from Basic project activities in the case study sites. Most districts with Pilot projects also have Basic grant projects.[6] Of the nine districts studied with Pilot projects, eight also had a Basic grant. In many of these districts, Pilot projects were in fact less directly focused on achievement and more focused on human relations and multi-cultural activities than the Basic projects.

- The focus of the Pilot project in Dogwood was individualized counseling of students at the junior high school level for behavioral and academic problems to alleviate the potential for intercultural conflict. The Basic project emphasized individualized instruction in reading and math.

- In Willow, project activities for the Basic and Pilot project were the same. The Basic grant, however, served schools under 55 percent minority and the Pilot grant served schools over 55 percent minority.

- Reading and math remediation, and counseling with students and parents to address the problems of truancy, absenteeism and tardiness at the high school level were the focus of the Pilot project in Beech. The Basic project was similarly focused, except it served the junior high schools that were feeder schools for the high schools served by the Pilot project.

- In Butternut, the Pilot project supported specialists to work with teachers in the development of individualized instructional strategies for reading and math to serve students in minority isolated middle schools. The major focus, however, was on a human relations training program to help teachers develop student self-respect, concern for others, and interpersonal problem solving skills. The Basic project primarily supported individualized reading and math services.

- An arts component that encouraged socialization among students provided a human relations focus in the Pilot grant in Magnolia, an urban district in the north. All middle schools participated in this component. Other components included remedial basic skills instruction and workshops for teachers to improve their skills in reading and math instruction.

- Hemlock, a small southwestern district with a large Mexican-American population used its Pilot project to provide bilingual education to elementary school children. Although the district did not receive a Basic grant, it did receive a Bilingual grant to support similar bilingual education activities at the junior and senior high school level.

There was also little evidence that Pilot projects were in fact pilot or demonstration projects that were to be replicated. For example,

- In Evergreen, Pilot grants had funded reading instruction activities in the same elementary school for four years. While considered to be an effective program, the district had not made any effort to incorporate the activities into any of four other elementary schools with similar characteristics and needs.

II.C. The Focus of Non-Profit Organization (NPO) Grant Projects

According to the Act and Regulations

Many of the activities authorized for Basic grant projects to support the implementation of a district's plan are also authorized for NPO grants.[7] Unlike Basic grants, however, NPO grants may also be used to support activities related to the development of a district's plan. Among the activities authorized in common with Basic grants are:

Student-oriented

- remedial services;
- career orientation projects; and
- innovative interracial educational enrichment projects involving the joint participation of minority group children and other children attending different schools, and parents.

Community-oriented

- community activities including public information dissemination and parental involvement in matters relating to the plan.

All of these activities are to be supplemental to the district's services. In the latter two authorized activities, parental involvement is emphasized more than in the activities authorized for Basic grants.

Beyond these common activities, five other student-oriented activities are authorized for NPO grant projects:

- activities to prepare children, and where appropriate parents, for the experience of desegregation or reduction in minority isolation;
- activities to deal with the problems of dropouts, academic failure and increased suspensions and expulsion resulting from plan implementation;

- interracial projects relating to the social and recreational needs of children attending schools affected by the plan;

- cultural enrichment activities which promote interracial and intercultural understanding among children attending schools affected by the plan; and

- home-focused projects for the enrichment of the educational atmosphere in the homes of children attending schools affected by the district's plan.

Like the Basic grant activities, these NPO activities are explicitly related to the implementation of districts' plans. The specifications for these five activities, in fact, detail to a greater degree the specific need or objective of the activity as it relates to the plan than the specifications for Basic grant activities.

As Implemented By LEAs

The focus of activities in these NPO projects mirrored the pattern found in the national evaluation of ESAA NPO projects.[8] Projects most frequently emphasized community involvement in the schools through tutoring and cultural enrichment or recreational activities.

- In Beech, a district with a 90 percent minority enrollment, the NPO grant supported a community based agency working with fifth and sixth grade pupils and their parents. The agency provided an arts program to encourage greater intercultural awareness. Although Beech desegregated its dual school system over 15 years ago, it is on the verge of a major reorganization to be mandated by court order.

- A similar arts emphasis was taken by a theater company in Sycamore with its NPO grant. In order to encourage children's motivation to acquire language skills, facility in writing, and sensitivity to and awareness of other cultures, the multiracial company performed poetry and dramatization for elementary school children. The company also worked directly with the children on poetry writing. Sycamore, an urban university community with a 55 percent minority enrollment, implemented a voluntary desegregation plan in 1968.

- NPO grants were received by two organizations in Chestnut, another medium-sized district outside the South that successfully implemented a voluntary plan prior to 1968. One organization focused its activities on a tutoring program in one-third of the district's elementary schools. The other organization also focused on tutoring, but targeted its efforts at the junior and senior high school level.

- An NPO grant in Buckeye supported both tutoring and counseling activities. The objective of the tutorial program was to reverse the trend for increasing numbers of minority students to drop out. This trend was perceived as a result of minority students not being able to cope with school work. Counseling services were directed at students who were referred by teachers as having "extraordinary disruptive behavior". Buckeye had initiated a voluntary plan in 1970 to reduce the isolation of its largely hispanic pupils. However the DHEW Office for Civil Rights required the district to submit an acceptable plan by mid-1975 to remedy the continuing imbalance at one school that was "racially identifiable".

One project that helped parents monitor the assignment of minority pupils to special education classes was judged by project staff to be especially directed at problems incident to the implementation of the district's desegregation plan.

- For the past 3 years, the focus of the NPO grant awarded to a civil rights group in Redwood has been improved communications between school administrators and parents residing in an area in Redwood with a high proportion of low-income black families. The major problem identified by the group as overshadowing all others was the disproportionate number of black children referred to special education programs and the less than adequate involvement of parents in this area in the referral process. Redwood had voluntarily desegregated in 1972, but a suit brought in 1973 put the implementation of the district's plan under court supervision. While this urban, northern district has been generally regarded as having developed successful strategies for integration, the NPO group believed there was a need for community intervention to achieve successful integration. While the district is approximately 20 percent black, the special education centers located in separate physical facilities have been at least 50 percent black. The NPO group assisted black parents to be aware of, and to monitor, the referral process.

228

II.D. The Focus of Bilingual Grant Projects

According to the Act and Regulations

As in Pilot projects, Bilingual projects are authorized to undertake any of the activities authorized for Basic grants. The projects, however, should be designed to meet the needs of minority children who are from environments in which the dominant language is other than English for:[9]

(1) the development of their reading, writing and speaking skills in English and their other language; and

(2) assistance in understanding their history and cultural background.

Unlike Basic projects, Bilingual projects are not explicitly related to the implementation of a district's required or non-required plan. Bilingual projects may serve any school in a district which has adopted an eligible plan. Bilingual projects, therefore, also differ from Pilot projects; activities are not restricted to schools with enrollments over 50 percent minority.

The focus of ESAA Bilingual projects overlaps considerably with projects funded under the Bilingual Education Act (Title VII, ESEA).[10] At the inception of ESAA, Bilingual grants were authorized to augment the newly implemented Bilingual Education Act ($35 million appropriation). ESAA grants differed somewhat in that:
(1) LEA applicants were required to fulfill the ESAA threshold and compliance eligibility criteria;
(2) non-profit organizations were eligible; and
(3) applicants were required to establish a community advisory committee to participate in the development and implementation of the project.

The Senate Select Committee on Equal Educational Opportunity (92nd Congress) recommended in 1972 that Title VII, ESEA incorporate the latter two provisions as essential to effective bilingual education. They also envisaged the ESAA Bilingual subprogram as temporary; they suggested that when ESAA expired in 2 years, that bilingual education programs be merged under Title VII.[11]

While neither ESAA nor the Bilingual subprogram have expired, the Bilingual Education Act was substantially revised in 1974, and new regulations were issued in 1976. The Lau decision[12] has also focused increased national attention on bilingual education. Title VII (ESEA) appropriations have substantially increased; in FY 77 the national appropriation was $115 million. In ESAA, the 22 FY 77 Bilingual grant recipients received $8 million.

As Implemented By LEAs

Only one of the districts studied received a Bilingual grant. It was used in conjunction with a Pilot grant and other state and Federal monies to enhance a total system of bilingual education. The district implemented a non-required plan in 1973 and has been receiving a Pilot grant ever since. In FY 77, this southwestern town with an almost 90 percent hispanic population received its first Bilingual grant. It provided inservice training for teachers and teacher aides at the junior and senior high school levels to enable them to teach in Spanish as well as English. This increased the number of courses available for hispanic students. The district also received a Bilingual Education Act (Title VII, ESEA) grant to support a program to assist new hispanic students function in the school environment.

II.E. The Focus of Special Grant Projects

According to the Act and Regulations

The Act and Regulations established several types of Special grants;[13] the focus of authorized activities varies depending on the type. For school districts, the major types are the Emergency Special, Interdistrict Transfer, Magnet School, University/Business Cooperation, and Neutral Site grants. In the last three grant subcategories, any school district may apply; it need not be implementing an eligible required or non-required plan.

The authorized activities for the Emergency Special and Interdistrict Transfer projects are the same as that for the Basic grants. The focus of the remaining three are somewhat implied by their names. Magnet School grants may be used, according to the Regulations, for:

- planning and design of a magnet school within a district - including planning the educational programs for the school; planning new or modified facilities for the school; conducting surveys and studies for establishment or improvement of the school; and recruiting students and staff for the school;
- conduct of educational programs in the school - when local fiscal effort for magnet school is already as great as effort for comparable students in other schools; and
- limited repair and remodeling related to magnet school program.

Magnet schools are distinguished by their special curriculum. A magnet school offers a course of study that differs in content or methodology from that available to other students of the same grade level in the school district.

Activities supported by Magnet School and Neutral Site grants must be in schools whose enrollments are no less than 20 nor more than 50 percent minority and reflect the minority proportion of the district. Neutral Site schools are distinguished by their equal accessibility to both minority and non-minority groups. Neutral Site grant

231

activities are similar to Magnet School grant activities except they are not for program operations and need not be related to a special curriculum.

There are no explicit authorized activities for University/Business Cooperation grants. The grants are authorized to enable school districts to conduct educational programs with one or more universities, colleges or businesses for students in schools affected by the plan, in minority group isolated schools, and in magnet schools.

As Implemented By LEAs

Five of the case study districts received Special grants. Each of these districts also received a Basic grant; two of the five received a Pilot grant.

- In Willow, a northern urban school district under a recent court order to desegregate, the $3.3 million Emergency Special grant project had four components. Three of the four focused on direct remedial and counseling services to students. For these components, ESAA funds were coordinated with other Federal and state funds to initiate the programs mandated by the court order. The fourth component focused on Crisis Prevention/Intervention which primarily involved inservice training for teachers. The use of ESAA funds to support activities mandated by court order violated an OE interpretation of ESAA regulations.

  The Special and Basic ESAA projects provided support for reading specialists assisting in the implementation of the city-wide individualized reading program. Special project funds were focused on desegregated elementary schools and Basic funds on desegregated middle schools. The second Special project component helped support the development and implementation of a complete basic life skills curriculum by reading specialists. Special grant funds reportedly were focused in the minority isolated elementary schools, Basic funds in the desegregated middle schools, and Pilot funds in the minority isolated high schools.

The major objective of the counseling services in the third component was to decrease the district's absentee and dropout rate by providing increased services in career education, and individual and small group counseling. ESAA funds were used to support paraprofessional guidance aides in order to provide administrative assistance to counselors in the desegregated elementary and middle schools. Workshops in guidance skills for both counselors and aides were also supported.

The objective of the Crisis Prevention/Intervention component was to decrease the number of disruptive incidents occurring. Funds were to be used for a multi-faceted program of resource centers and inservice training for teachers, and a two week camp for students. This component bore little resemblance to its design, in part because of late notification from EEOP that the grant was funded. Funds were being used to provide support and stipends for interested staff, students and community persons. Attendance at the sessions was not mandatory, nor were topics exclusively directed at crisis prevention since teachers in each building were free to determine the weekly topics. One respondent reported that in one school disrupted by racially inspired riots, the workshop members voted not to discuss race relations.

- A small ($59,000) Emergency Special grant project was funded in Ash, a district that has been subject to a succession of court orders since the 1975-1976 school year. The project supported counselors and community liaison aides in the senior high schools that were desegregating under the court order. The objective of the counseling was to facilitate the social adjustment among students from different backgrounds who had been brought together as a result of desegregation. The community aides served as liaisons between home and school with regard to attendance problems, health and conduct; they also supervised on-campus areas and served as bus monitors. The district's Basic project also supported aides, but in the junior high schools.

- A $114,000 University/Business Cooperation Special grant was used by Pine to implement a program of career education. The major objective of the program was to interest youngsters in business and management and to develop the skills necessary to insure success. The project arose from the perception that there was a need to improve the skills of future minority business owners; minority businesses had a high rate of failure in Pine.

  Unlike the Willow Special project, this project in Pine did not overlap the Basic and Pilot projects. The major activities centered on field trips, visiting speakers, career orientation days and instructional modules constructed by specialists. Pine is one of the largest districts in the nation with substantial black and hispanic enrollments. It has been subject to a series of court orders and amendments to desegregate, the most recent in 1974.

II.F. Summary and Conclusions

The Emergency School Aid Act and associated regulations authorized support for projects having diverse foci and relationships with the school district's required or non-required plan to reduce or prevent minority isolation. Local projects authorized under the Basic grant category are the only projects explicitly mandated by the Regulations to be directly related and necessary to the implementation of the district's required or non-required plan.

As authorized, Pilot and Bilingual programs address the third purpose of the Act: To aid school children in overcoming the educational disadvantages of minority group isolation. The eligible schools in these programs, however, may be inadequately related to the reduction or prevention of minority/majority group isolation to ensure that they are desegregation-related as defined in the introduction.

While school district applicants for Pilot and Bilingual grants must have implemented (or must implement, if assistance is made available) an eligible plan, funded projects are not mandated to be related to the plan. Pilot and Bilingual grant projects are authorized to focus primarily on students considered to have special needs:

- children who are disadvantaged because they attend schools with over 50 percent minority enrollment; and
- children with limited English-speaking ability with cultural heritages differing from that of English-speaking persons.

For an organization to receive an NPO grant, the associated school district must also have implemented a plan, but the school district need not have obtained compliance eligibility. Most authorized activities for NPO projects, like Basic projects, are limited to students in schools affected by the district's plan. In addition, NPO grants may be used to support development of the plan.

Applicants for recently authorized Special grant categories (Magnet schools, University/Business cooperation, Neutral site) need not even have implemented an eligible plan. However, magnet schools and neutral site schools can constitute specific elements of plans to reduce or prevent minority isolation. Authorized activities include the planning and development of these types of plan elements. (Note: The planning and development of other types of plans are not supported by ESAA.) University/Business cooperation projects are only related to a district's plan in that they are authorized to serve schools affected by the plan. They are also authorized to serve magnet schools and schools with an enrollment over 50 percent minority.

We investigated the focus of FY 77 ESAA projects as implemented in 22 school districts across the country. We found that:

- Most Basic grant projects focused on direct services to students and teachers, rather than intergroup activities. The most common focus was remedial services. These services were similar in instructional techniques and approaches to the services provided by Title I (ESEA) projects. Since Title I services were limited to "Title I schools" and generally the lowest achieving students in those schools, ESAA remedial services were being used by school districts to complement Title I by providing similar services to schools or grades not served by Title I. This was possible, since most schools in ESAA districts were involved in the districts' reassignment plans. ESAA was a flexible answer to the districts' many remediation needs.

  In several districts which had completed implementation of their desegregation plan prior to 1968, the remedial services were not perceived to be related to desegregation in any way. ESAA was perceived as addressing the educational disadvantages of minority children.

- While not as prevalent as remedial services, inservice training for teachers, and guidance and counseling services for children were also foci of Basic grant projects. These activities tended to be more related to the implementation of a district's plan. Other types of authorized activities such as community activities and interracial/extracurricula activities were almost absent. Inservice training components tended to focus on helping new and older teachers adapt to desegregated classrooms. Guidance and counseling services often focused on students in schools affected by the plan who had behavioral and academic problems.

Projects were least focused on remedial services and most on intergroup activities in districts that perceived ESAA to be strictly desegregation related and not related to compensatory education.

- Pilot grants were found to be almost indistinguishable from Basic grants. In many sites, they were also found to be less directly focused on achievement and more on human relations and multicultural activities than Basic projects.

- Pilot projects were not serving as innovative approaches to improving the academic achievement of minority isolated students. In many sites, the Pilot project was not replicated to any extent.

- Most NPO projects emphasized community involvement in the schools through tutoring, cultural enrichment or recreational activities and as such supplemented school district activities. One project that helped parents monitor the assignment of pupils to special education classes was particularly related to the implementation of the district's plan.

- Emergency Special projects as implemented primarily served to augment services provided under Basic and Pilot grants to more recently desegregating school districts.

- As authorized and implemented, Bilingual grant projects overlapped in goals and focus the projects funded under the Bilingual Education Act (Title VII, ESEA).

FOOTNOTES

1 A. Smith, A. Downs, and M.L. Lachman, *Achieving Effective Desegregation*, Lexington, Mass.: D.C. Heath and Co., 1973, p.77.

2 45 CFR 185.11(a).

3 45 CFR 185.22.

4 45 CFR 185.22(b).

5 45 CFR 185.24(b).

6 Of 161 Pilot grant recipients in FY 77, 95 also received a Basic grant.

7 P.L. 92-318, Sec. 708(b), 45 CFR 185.62.

8 "The ESAA Non-Profit Organization Program: Some Preliminary Research Findings," Santa Monica, Calif.: Rand Corporation, January 1978.

9 P.L. 92-318, Sec. 708(c), 45 CFR 185.52.

10 P.L. 93-380, Title VII.

11 *Toward Equal Educational Opportunity*, Select Committee on Equal Educational Opportunity, U.S. Senate Report No. 92-000, 1972, p.295.

12 *Lau* v. *Nichols*, 414 U.S. 563, 1974.

13 P.L. 92-318, Sec. 708, 45 CFR 185.91-185.94.

III. THE INFLUENCE OF ESAA PROGRAM OPERATIONS ON THE FOCUS OF ESAA PROJECTS

The two program processes that could most influence the targeting of grants and funds are also the processes most capable of influencing the focus of ESAA projects. These are:

- the pre-application information dissemination and technical assistance process; and
- the application review and fund allocation process.

In this chapter, we examine the influence of these two processes on the focus of ESAA projects. For example, to what extent have these processes influenced the emphasis in Basic projects on remedial services or the lack of emphasis in Pilot projects on replication? Most of the discussion is concerned with the focus of Basic grant projects. The focus of these grants is most susceptible to influence in these processes due to the interpretability of the provisions that activities be "related to and necessary to the implementation" of a district's plan and be in "schools affected by the plan."[1]

III.A. Pre-Application Process

The pre-application process consists of: (1) the information dissemination meeting held by EEOP staff for interested school district representatives in all regions of the nation about 2 months prior to the application deadline each year, and (2) the technical assistance requested by individual applicants from EEOP staff in the period prior to the application deadline.

Like the decision to apply for a grant, the focus of each applicant's proposed project is its own to make within the limits of authorized activities and schools specified by the Act and Regulations. According to program guidelines, the focus of an applicant's project should be motivated by an assessment of its district's needs. EEOP staff indicate, however, that a continuing question at pre-application information dissemination meetings has been: "What activities would be rated most favorably by application review panelists?"

As reported in Volume I, EEOP staff have been very careful about responding to these questions. EEOP staff also reported, however, that they have been trying to influence the continuing preference of LEAs to focus their projects on remedial services. They have reiterated in the dissemination meetings that the ESAA Basic projects must be related to the LEA's plan and have suggested that the LEAs examine their needs for all services and activities, not just remedial services.

EEOP respondents reported that LEA preference for requesting support for remedial services was strong. For a district that completed its plan implementation 5 or more years ago, remedial services to reduce majority-minority achievement score disparities are often the only plan-related needs that an LEA can identify. For a recently desegregating district, EEOP staff suggested that activities focused on remedial services were viewed by the LEAs as "safe". Direct instructional and counseling services to individual students do not enter the sensitive area of group-oriented discussions of race relations. Direct services are normally undertaken by school districts and are therefore non-threatening.

As evidenced by the focus of case study projects, it appears that short of unofficial rulemaking by suggesting which authorized activities will more likely be funded, the pre-application process does not have a large independent influence on the activities proposed by applicants. Given the current list of authorized activities with familiar non-threatening options (remedial services) that fulfill more easily documentable needs, LEAs are inclined to focus their projects on those options.

However, the pre-application process does more directly impact on which schools within the district are proposed for services. EEOP staff advise LEAs as to which schools within their district are eligible for Basic ESAA support. Since this is more open to interpretation, as will be shown in the next section, technical assistance in this area may influence the focus of ESAA projects.

III.B. Application Review and Fund Allocation Process

The focus of an ESAA project can be influenced in this process in (1) the quality review of the application narrative by the non-Federal panelists to obtain the application's quality score, and in (2) the administrative review of a project's budget by EEOP staff. In the quality review, panelists' judgements concerning the need and merit of the proposed project can lead to variations in quality scores. As shown in Volume I, lower quality scores only marginally affect which districts receive a grant. For the focus of Pilot grant projects, this is significant. Pilot grant applications are rated on the degree to which the projects would be replicable. The applications may receive a maximum of 8 points in this area. However, since few Pilot grant applications are not funded as a result of low quality scores, funded projects may have negligible potential for replicability. In addition, since the quality score contains no measure of previous years' project performance, the funded project may be the same each year; no evidence of past dissemination is required.

It was also shown in Volume I that lower quality scores are associated with greater reductions in requested project funds. A major influence of the application review process on the focus of projects then arises from its ability to retain or delete proposed project components, or proposed schools. Deletions may result because components are judged as unauthorized or include ineligible schools according to the Regulations, or because components are insufficiently justified in the application's narrative in terms of the purposes of the Act.

The case studies provided a few examples of deletions of proposed components. In some cases, the components were deleted because they were not related to the district's plan. For example:

> Respondents in Cypress felt that a continuing problem in the district was disparity in achievement levels of minority and non-minority students. Since the district felt that the problem was aggravated by the minority isolation in kindergarten, they requested ESAA funds for a kindergarten component in their Basic project.

The funded project had as its objectives the reduction of the achievement gap and the increase in the ability of teachers to meet the needs of minority students. The kindergarten component was not funded because the kindergarten level was not included in the district's non-required desegregation plan adopted in 1972.

In other cases, the reasons for the deletions were not as obvious; according to respondents they also were not made known to the applicants by EEOP staff. The deletions tended to be the non-remedial components of applications. Thus, although the deletions may have been valid for any number of reasons, such as, insufficiently justified by the needs assessment, the conclusion reached by LEA applicants was that the non-remedial components were less ESAA-related.

- Beech's funded Basic project was aimed at increasing achievement and improving student motivation and attitudes. Its initial application also requested funds for human relations training for staff with an emphasis on multicultural awareness, and for recreational and multicultural enrichment programs to increase the interracial contacts of students outside the school environment. Although Beech had desegregated under a 1961 court order, the district was awaiting an imminent court order that would combine its schools with those of other districts in the county. LEA staff were not informed of the reasons for the deletions.

- The Ironwood district had completed implementation of its desegregation plan over 5 years ago and had received an ESAA Basic project every year since 1973. LEA respondents reported that initially the grants had funded an extracurricular component consisting of after school arts and crafts classes that fostered voluntary interracial socialization. In recent years this component was deleted in the review of their application. They felt that this was unfortunate because the district had managed to achieve within-school and within-classroom integration and that the community in this once dual school system was more ready for programs which addressed the social isolation that still persisted after the 3 p.m. school bell.

- ESAA staff in Maple had requested funding for a Basic project component that would develop for students a within-school alternative to suspension. The target schools all had suspension rates 3 to 4 times the national average. The alternative would have consisted of a suspension room in each school in which students would continue to perform schoolwork in a structured environment. Respondents viewed the alternative as preventing disruptive behavior from being used as a mechanism for being released from school. The funded Basic project supported a homework program designed to raise student achievement by increasing home commitment, and a program to provide support for first year teachers and newly assigned principals. Maple desegregated in 1967 but has been sued frequently since then for discrimination or segregation of students at specific schools.

The Focus of Basic Projects and School Eligibility

The foci of ESAA Basic projects are particularly sensitive to actions taken in the application review and fund allocation process. In both the panel and administrative reviews, judgements are required as to whether proposed activities are "related to and necessary to the plan" and whether they are in "schools affected by the plan" as required by the Regulations. The retention and deletion of components and schools appears to be in large part a function of how review panelists and EEOP staff interpret these Regulations. The interpretations are made more difficult by other related Regulations concerning: (1) the recency of eligible plans, (2) the eligibility for funding of court-ordered ESAA-like activities, and (3) the eligibility of non-public schools.

EEOP staff reported that until the last two years the interpretations of "schools affected by the plan" and "needs related to the plan" were not an issue. While the Needs Assessment section was reviewed to determine the general need for the project in the school district, little formal attention was paid to whether a specific school had the particular need for the activities proposed. According to respondents, as long as the school was mentioned in the reassignment plan and the activities were on the authorized list, the component was funded. As a result of a court suit in 1975 by Cincinnati against DHEW/OE,[2] the GAO report[3] and continuing concern within EEOP about the regional variations in the interpretations of these Regulations, an effort was made to clarify their interpretation in 1977 at the time of the centralization of EEOP Regional staff. Several EEOP respondents reported, however, that despite this attempt the application of these Regulations was still unclear.

Part of the problem appears to be the conflict in the program guidelines between schools "affected by the plan" for the purposes of developing the application's statistical score, and schools having specific program needs as a result of the plan. For the statistical score, "affected by the plan", for plans involving the reassignment of students, refers to schools included in the required or non-required plan by name (or by reference to their attendance zones, if their attendance patterns are altered). For plans involving the prevention of minority isolation, no reassignment occurs; thus, "affected by the plan" refers to schools that will be subject to program and curricula modifications.

However, according to program guidelines, all schools "affected by the plan" for the statistical score do not qualify for all authorized activities; also, some of the schools not involved in the reassignment do qualify. Several examples presented in ESAA program manuals are shown in Table 3.1. Example #1 shows that if one school (B) has achievement scores above grade level and receives students from another school (A) whose scores are below grade level, students in the receiving school may receive remedial services. However, the sending school does not qualify. The implication is that if the students in school (A) are below grade level, the implementation of a plan does not suddenly qualify them for Federally supported remedial services.

TABLE 3.1

EXCERPTS FROM ESAA PROGRAM MANUALS

Example #1

School A has students reassigned to School B. Remedial instruction may be fundable for those students below the normal achievement level of those in School B but not for the students remaining in School A.

Example #2

If evidence shows that the leadership of School A student body was reassigned to School B, a program for the redevelopment of new student leadership in School A could be approved under ESAA.

Example #3

School C is close to School B but not involved in any reassignment of students; however, considerable tension is built up among the students and parents of the two communities caused by desegregation. School C could be considered as being affected by the desegregation plan. Tension reducing activities could be supported under ESAA.

Example #4

Schools D, E, and F are schools not affected by reassignment of students. The curriculum which prevails in all schools A through D does not reflect the contributions of minority groups. Officials indicate and support the need to create a new curriculum to remedy this deficiency. This curriculum will be used in all schools - not just those being desegregated. That is a fine and noble goal for a school system, but ESAA can fund the curriculum change for those schools with the reassignment of students; for School A if the leadership development program is approved and it can be shown that the curriculum change will help develop new leadership; and in School C, if a school community tension reduction program is approved and it can be shown that the new curriculum will help reduce tension; but not in Schools D.E, and F. These become the responsibility of the LEA.

According to EEOP staff, if in addition school (A) received students with above average scores, it still would not qualify for remedial services from ESAA because the remedial needs of the students remaining in the school should have been addressed by the school district prior to the plan. The creation of achievement disparity between minority and non-minority students in school A as a result of the implementation of the plan, is, according to this interpretation, only subject to Federal assistance if the receiving school did not have a need for the services prior to the plan. The sending school may qualify for other services as shown in Example #2.

Examples #3 and 4 demonstrate that a school not involved in the reassignment may receive certain ESAA services because its students and teachers are affected by the plan. Example #4 demonstrates that an activity, although directed at interracial and multicultural needs in a district that has implemented a plan, may not be supported in all schools by ESAA. ESAA may support only activities in the schools interpreted as affected by the plan.

To summarize, according to program guidelines:

- all schools involved in the reassignment may not qualify for support for all activities; the need for the activity must be perceived to be related and necessary to the plan in the specific school;

- some schools not involved in the reassignment may qualify for some ESAA activities; these schools may have needs perceived to be directly related to the implementation of the plan; and

- activities that address district-wide deficiencies highlighted by a plan, such as the lack of multicultural curricula, may receive ESAA support only in schools perceived to be affected by the plan; curricula in the remaining schools are the district's responsibility.

In other words, the program guidelines imply that one cannot examine and determine from a district's reassignment plan which schools within the district qualify for ESAA Basic grant assistance. Compounding the complexity of these interpretations are three other regulatory provisions, relating to (1) the recency of plan implementation, (2) court mandates for ESAA-like activities, and (3) private school eligibility.

Recency and "Affected by Plan"

The Regulations specify that eligibility for an ESAA grant "shall not be affected by the date on which its plan was adopted, ordered to be adopted, or by the fact that steps to be taken under the plan have been completed."[4] The Regulations provide no guidance, however, on how long after a plan has been fully implemented schools are still "affected by the plan." As a result of the recent emphasis on requiring a causal association between the plan and the project activities, panelists and EEOP staff have been put in the position of trying to very carefully sort out which schools in a district were affected by the reassignment plan. In many cases, all students attending school at the time of the plan implementation have graduated and pupils slated to receive services were unborn.

Court-Mandated Activities

Several recent court-ordered desegregation plans have not only mandated the reassignment of pupils and faculty, but also additional educational programs that incorporate remedial services, guidance and counseling services, and curriculum development activities similar to the activities authorized by the Act. While these mandated programs are clearly related and necessary to the implementation of the plan, program guidelines have not permitted any court-ordered educational programs from being supported by ESAA by the following reasoning: The ESAA Regulations specify that grant funds may not be used to supplant local funds that a district is reasonably able to provide.[5] Since the mandated programs would have to be implemented by the district, even if it did not apply for and receive an ESAA grant, these services presumably would have to be funded through local resources. Thus, if the district received an ESAA grant for the mandated activities, ESAA funds would be supplanting local funds according to program guidelines.

However, despite these guidelines, court-ordered compensatory education activities have been funded in one of the case study districts.

In consideration of the reauthorization of ESAA, a new policy has been under examination within DHEW which would permit funding of court-ordered activities, if the activities would qualify for ESAA funding had they not been mandated.

Such a policy, however, would further complicate the determination of "schools affected by the plan." Would they be only the schools in which reassignment was ordered, or all the schools in which new services were ordered?

Private School Eligibility

The third set of provisions which further muddy the interpretation of "relating to the plan" and "schools affected by plan" are the provisions in the Act and Regulations which permit students and teachers in non-public schools to be served whether or not they are affected by the district's plan, or, for Pilot projects, are over 50 percent minority. In fact, the Act and Regulations mandate that each Basic, Pilot, Bilingual or Special project application from an LEA must contain an assurance that it has consulted with the appropriate non-public school officials, and that provisions have been made for participation of non-public school students and teachers in the LEA project on an equitable basis to the extent that area minority and non-minority children are enrolled and teachers are employed in the non-public schools.[6] (Participation is limited to non-public schools not serving as alternatives for students seeking to avoid desegregated public schools that also do not engage in any discriminatory practices based on race, color or national origin.)

The participation of students and teachers from non-public schools must also assist in achieving the purposes of the Act. In order to comply with this provision a non-public school may, according to the Regulations, be either implementing a plan to desegregate, reducing minority isolation to a significant extent, or just enrolling a significant percentage of the school-age children in the geographical area. The private school need not be involved in the plan being implemented by the LEA.

The net result is that the Act and Regulations permit and encourage private schools to be served by Basic, Pilot, Bilingual and Special projects that would not be eligible schools for ESAA services if they were public schools.

According to FY 77 Basic grant application data, there were 40 applications in which private school participants constituted more than 10 percent of the proposed public school participants. Several of these were among the case study group, for example:

- In Sycamore, the Basic project provided remedial and cultural support activities to approximately 1,000 students in four public schools and two parochial schools. Non-public participants constituted about 40 percent of the students. ESAA funds provided the services of a reading specialist, psychologist and instructional aid. The psychologist provided direct counseling services to non-public school pupils, parents and teachers.

- In the Spruce Basic project, two non-public schools were incorporated into the remedial component serving elementary school children. The schools received materials and the services of classroom aides, but not the services of an on-site specialist. Approximately 300 out of the 800 proposed participants were to be non-public school participants.

- The Bilingual grant in Hemlock, a district with a 90 percent hispanic population, provided funds for instructional aides and equipment, and professional assistance to minority staff and students in a parochial school that was two-thirds hispanic.

The Title I origin of the private school mandate is clear. The ESAA mandate to provide services to non-public schools to the extent consistent with the number of minority group children in the area to be served who are enrolled in private elementary and secondary schools follows the language of the mandate in the Title I legislation for "educationally deprived children".[7] The wording of additional provisions covering situations in which aid to non-public education is prohibited by state law is almost identical in ESAA and Title I (ESEA).[8]

III.C. Summary

Of the two pre-award program processes likely to influence the focus of ESAA projects, the application and budget review process has the greater influence.

These reviews affect the focus of projects primarily through their ability to retain or delete proposed project components or proposed schools. The foci of Basic projects are particularly sensitive to the actions taken in these reviews because judgements are required as to whether proposed activities are related and necessary to the plan, and whether they are in "schools affected by the plan." These judgments are susceptible to a high degree of variation as a result of conflicting program guidelines and regulatory provisions relating to the (1) recency of plan implementation, (2) court mandates for ESAA like activities, and (3) private school eligibility.

As reported immediately above, according to the Act and Regulations, private schools may be served by ESAA that would not be eligible if they were public schools. The private school provisions, therefore, encourage the view that ESAA is less concerned with activities necessary and related to the implementation of a district's plan and the students in the schools affected by that implementation than with minority students who, like Title I students, are considered educationally deprived.

FOOTNOTES

1 45 CFR 185.12.

2 Cincinnati Board of Education v. DHEW, U.S. Court of Appeals No. 75-1918, 6th Cir., 1976.

3 U.S. General Accounting Office, Report HRD-78-36, 1978.

4 45 CFR 185.11(c)(1).

5 P.L. 92-318, Sec. 710(a)(10), 45 CFR 185.13 (g).

6 P.L. 92-318, Sec. 710(a)(12), 45 CFR 185.42.

7 P.L. 93-380, Title I, Sec. 141(a)(1).

8 P.L. 93-380, Title I, Sec. 141(a)(3).

253

IV. ESAA AND DESEGREGATION-RELATED NEEDS

We return in this chapter to the question of whether ESAA projects have been focused on the desegregation-related needs of funded school districts. In analyzing the impact of desegregation on school districts, researchers have developed conceptual models which divide the process into several phases sequenced in time. We have found it useful in examining the relationships of the needs of degregating school districts to the appropriate projects or activities that would address those needs to use one of the very simple models. Like any process of change, desegregation can be viewed as having a planning phase, an implementation phase and an institutionalization phase.

During the planning phase the main needs are:

- to develop reassignment plans acceptable to the community and, if mandated, to the relevant court or agency;
- to establish and maintain student, parent, staff and community support; and
- to develop implementation plans that during the transition will ensure the safety of the entire community, and minimize disruption of the educational process and polarization of the community.

The tasks performed by the Community Relations Service (CRS), U.S. Department of Justice in the Detroit desegregation case are examples of implementation planning. CRS worked with the Court and community to:

- identify potential problems that could arise under a desegregation plan;
- develop plans and programs that would minimize the likelihood that problems would arise;
- devise techniques to identify problems promptly if they did arise; and
- develop contingency plans to deal with any problems.

School district needs in the implementation phase as well as the planning phase are exemplified by the grant program under Title IV (Civil Rights Act). This program, like ESAA, is administered by the Equal Educational Opportunity Programs staff. The focus of Title IV activities is on assisting districts which have implemented or are about to implement a plan to remedy illegal segregation. According to recently revised regulations, technical assistance may be provided to these districts by State Education Agencies and General Assistance Centers to:[3]

- prepare and adopt desegregation plans;
- develop methods of encouraging student, parent and community support for, and involvement in, the desegregation process;
- develop procedures to ensure and prevent discriminatory practices with respect to minority personnel, to student assignments within schools, and to student discipline practices;
- recruit minority staff;
- identify education problems arising as a result of student reassignment; and
- develop methods to encourage minority/majority participation in school activities.

As may be evident from this discussion and the findings in the previous chapters concerning the authorized ESAA projects and activities, ESAA does not focus on the major needs of school districts in the phases concerned with the planning and implementation of a district's reassignment plan. The ESAA eligibility criteria require a district to be implementing a plan at the time of grant receipt (except for magnet school and neutral site plans). This not only prevents assistance from being available for the development of reassignment plans, but also for the development of implementation strategies that minimize disruption and polarization of the community.

The importance of this phase was verified by many LEA respondents in districts that had implemented a court ordered desegregation plan. They felt that their district experienced the greatest desegregation problems in the period immediately prior to the implementation of the plan.

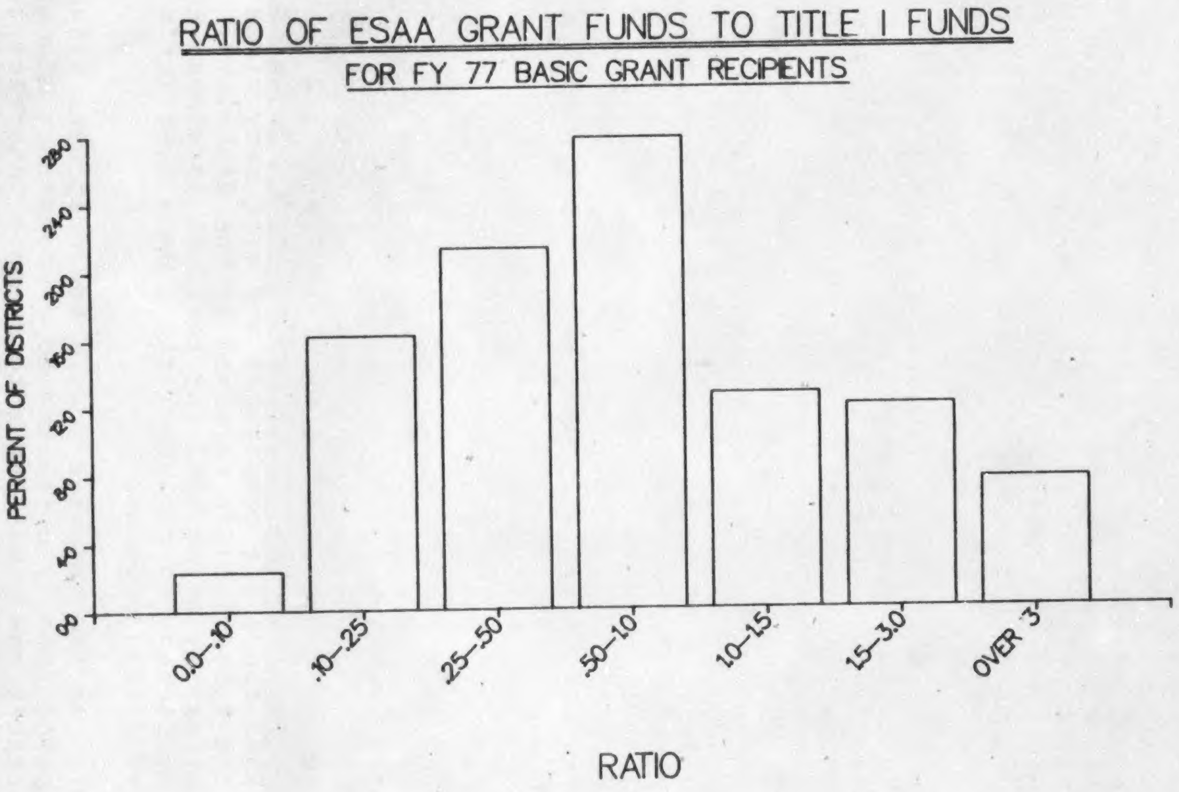
The restrictions on ESAA assistance during this phase, however, may not pose a problem. A generous estimate of the number of newly desegregating districts each year would be 20. Although the Title IV appropriation is roughly one-tenth the national appropriation for ESAA, the Title IV program as recently amended may be able to provide the assistance to fulfill the needs of school districts during the planning phase and the early implementation phase.

This leaves the question of whether ESAA projects have been focused on desegregation-related needs of school districts in the third phase, the phase which requires educational changes to promote equal status interactions and expectations. Since much of the research on desegregation has centered around the implementation and impact of the reassignment of students and faculty, an enumeration of district needs in this phase is not as clear. Most ESAA districts are in this phase. From their point of view, ESAA is meeting many of their needs associated with compensatory education, guidance and counseling and inservice training. Most respondents indicated that if they received more grant funds they would make their current project larger in order to serve more students or teachers. Most doubted, however, that their projects would continue if there were no ESAA funds.

In a few districts, as indicated in Chapter II, remediation was considered to be an all consuming need and, therefore, ESAA funds and any other available funds were focused on remediation. ESAA was viewed as unrelated to desegregation. As shown in Figure 4.1, in a large proportion of districts receiving FY 77 Basic grant funds, ESAA funds are comparable and even many times greater than the Title I funds received by the districts. In districts primarily using ESAA for remedial services, ESAA funds are sufficient to replace Title I as a district's compensatory education program.

At the opposite end, a few districts viewed ESAA as being totally unrelated to compensatory education and as a result used ESAA funds to support inservice training programs and human relations programs. ESAA respondents in these districts were also uniformly concerned that the

FIGURE 4.1



Title I funds are FY 76 allocations.

emphasis on ESAA as a desegregation program would mean that projects such as theirs that were directed at integration would no longer be funded.

Independent of the needs stated by respondents to justify the funded projects, the most commonly cited desegregation related need, regardless of the plan type, implementation year, and region, was inservice teacher training. Respondents felt that desegregation was being hindered by the indifferent and negative attitudes of teachers. Teachers were unable to adapt their teaching styles to the special needs of a diverse classroom population. This contributed to teachers' inabilities to manage discipline problems.

The identification by LEA respondents of the teachers' adaptation as a major problem is consistent with previous research. Orfield found that "successful desegregation requires basic adaptations in the teaching methods which prevail in most schools, but teachers find it very difficult to change well established teaching approaches and expectations."

Further,

> "...the teacher faces a professional crisis of realizing consciously or subconsciously, that he or she doesn't know how to teach effectively children whose background is very different from that of the dominant group... teachers are confronted with large numbers of students who do not respond in the school's "typical" way, they must blame the newcomers or recognize and acknowledge a very serious professional inadequacy..."

Despite the almost universal identification of this need across case study districts, only half the districts had projects which included an inservice trainingcomponent. It would appear that ESAA as implemented in the case study districts has not adequately fulfilled the need for inservice training for teachers to help them adapt to their new situations.

Related to the adaptation of teaching methods in desegregated schools is the finding in the National Evaluation of ESAA that teacher behavior in classrooms is consistent with school policy. This leads one to jump to the finding of report after report which conclude that the school principal plays a central role in determining the school climate for desegregation and integration. Despite this finding, only one ESAA project in the case study group addressed the needs of principals. Since neither the Act nor the Regulations identify or authorize appropriate training or technical assistance for principals, the ESAA program has not recognized one of the keystones to achieving successful desegregation.

The results described in this and the previous chapters therefore lead one to conclude that ESAA projects have not been focused on the desegregation-related needs of districts in the planning and early implementation phases because of eligibility criteria. In the last phase of desegregation, the phase in which educational system changes are required, those recipients which view ESAA as addressing needs associated with the establishment of equal status interactions and expectations have ESAA projects on human relations, multicultural activities and inservice training. Those recipients which do not view ESAA as desegregation-related focus projects on remedial services. The Act, Regulations and program guidelines do not adequately present with consistency and clarity the purposes of ESAA to encourage the former view, as opposed to the latter.

The most common failing ascribed to ESAA was the 1-year funding of projects. Respondents at almost all sites felt that this statutory provision negatively affected the districts ability to plan and implement their project. Since many projects were notified late in the summer that they were to receive funding in September, the impact of the 1-year limitation was magnified. Staffing patterns could not be determined until shortly before the school year.

FOOTNOTES

1 Private communication.

2 P.L. 88-352, Sec. 403-405.

3 43 FR, March 20, 1978, p. 11677.

4 Gary Orfield, "How to Make Desegregation Work: The Adaptation of Schools to Their Newly-Integrated Student Bodies," Law and Contemporary Problems, 39, 1975, p. 317.

5 Ibid., p.318.

6 Jean Wellisch, et al., "An In-Depth Study of ESAA Schools: 1975-1976," System Development Corporation TM 5236/0T3/00, Santa Monica, Calif., 1976, pp. VII-12.

7 For example, A. Smith, A. Downs and M.L. Lachman, Achieving Effective Desegregation, Lexington, Mass.: D.C. Heath and Co., 1973; Earlie A. Forehand and Marjorie Ragosta, A Handbook for Integrated Schooling, Princeton, N.J.: Education Testing Service, 1976.